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U.S. Bureau of Foreign and Domestic Commerce

Methods of handling... lumber in Germany...

Washington

1929

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UNITED STATES DEPARTMENT OF COMMERCE
R. P. LAMONT, Secretary
BUREAU OF FOREIGN AND DOMESTIC COMMERCE
WILLIAM L. COOPER, Director

METHODS OF HANDLING AMERICAN LUMBER IN GERMANY, SPAIN AND ITALY

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1929

FOREWORD

The official United States export statistics for 1928 show American lumber and lumber products going to more than 90 foreign countries. Germany, Italy, and Spain rank comparatively high as consumers of American products. Germany holds eleventh place with 87,146 M feet board measure, Italy following in twelfth place with 65,459 M feet board measure, and Spain is fourteenth with 42,482 M feet board measure.

This bulletin is one of a new series, prepared by the Lumber Division of the Bureau of Foreign and Domestic Commerce, in revision of the original series issued in 1923 on methods of handling lumber imports in foreign countries. The present series is based on reports made during 1928 by United States consulates and foreign representatives of the Department of Commerce.

In each country the established methods of handling imported lumber are set forth, and the operations of agents, importers, and dealers are described. The purchasing policies of large consumers and of the governments, as well as established terms of sale, are indicated. The lumber division recommends that established methods of importing lumber be followed, as it has been found that the best way to build up a permanent trade is to handle the business by the methods that have grown up in each country. Shipping lumber on consignment is to be discouraged.

Current import-trade methods are covered in the bureau's special publications on lumber for the United Kingdom, the Netherlands, Belgium, France, Switzerland, and Japan. Other important foreign markets for lumber will be covered in this new series on methods of handling lumber abroad. In connection with this series of bulletins, the lumber division has obtained information on the methods of lumber arbitration in each country with lists of available arbitrators.

The present publication affords, in brief form, practical information on the import practices of the three countries covered. The latest detailed trade statistics for those countries are appended, making the bulletin an up-to-date reference for American lumber exporters interested in these markets.

The lumber division of this bureau is in close touch with lumber markets throughout the world and invites specific inquiries from American lumber exporters.

WILLIAM L. COOPER, *Director,*
Bureau of Foreign and Domestic Commerce.

OCTOBER, 1929.

LUMBER DIVISION

The Lumber Division of the Bureau of Foreign and Domestic Commerce is organized to give assistance to the trade in lumber and forest products. It is staffed by men with years of practical experience in the merchandising of lumber. Through the oversea representatives of the Departments of Commerce and State, it is in close touch with world's markets. The division gives American exporters a detailed and comprehensive service of foreign market information and sales assistance and guidance. The development of special services for the domestic lumber trade was started late in 1929.

NATIONAL COMMITTEE ON WOOD UTILIZATION

The National Committee on Wood Utilization of the Department of Commerce, established by direction of President Coolidge, comprises about 150 members representing manufacturers, distributors, and consumers of lumber and wood products. Its object is to work for closer utilization of our country's timber resources. The committee, whose headquarters are in the Department of Commerce, Washington, D. C., works in close cooperation with a number of official and private organizations, notably the Bureau of Standards of the Department of Commerce and the Forest Products Laboratory of the Forest Service, Department of Agriculture. The committee is working for the elimination of waste in the entire range—production, distribution, and consumption—of forest products, and for coordination of the various branches of the forest industries, with the sawmill as the center, to permit one branch to utilize raw materials discarded by another. Special study is given to adoption of improved machinery for decreasing wood waste.

METHODS OF HANDLING AMERICAN LUMBER IN GERMANY, SPAIN, AND ITALY

Compiled in the Lumber Division

GERMANY[1]

CONSUMPTION OF WOOD IN GERMANY

Trade Commissioner William T. Daugherty, Berlin

With a forest area of 49,000 square miles, or 27.2 per cent of its entire territory, Germany is still unable to furnish all its wood requirements for building construction, mining timber, furniture, car building, railway ties, telegraph poles, and such industrial uses. Germany's production suffices for about two-thirds of its consumption of industrial woods, and it imports the other third—common softwoods, chiefly from Poland, Russia, Czechoslovakia, and the Baltic and Scandinavian countries; and hardwoods (also softwoods for special purposes) from widely distributed countries. The United States share of this trade consists principally of quality softwoods and hardwoods.

It is estimated that Germany now cuts 50,500,000 cubic meters [2] of stumpage annually against about 58,000,000 cubic meters in 1913, the difference being explained partly by territorial losses.

It is estimated that from 1925 to 1927 Germany imported on the average some 14,000,000 cubic meters annually of wood of all descriptions, and that its annual wood consumption, therefore, amounts to about 64,500,000 cubic meters. Reexports amount to 1,500,000 cubic meters, leaving a net total annual consumption of 63,000,000 cubic meters. Of the total consumption, 25,500,000 cubic meters, or 40 per cent, are consumed as fuel and 39,000,000 cubic meters, of which about 14,000,000 cubic meters are imported, are used for construction and industrial purposes and by the paper and pulp mills.

The following table shows the average annual production, net imports or exports, and consumption of wood in Germany from 1925 to 1927.

[1] Further information on the lumber trade of Germany may be obtained from Trade Information Bulletin No. 152, "Notes on Forest Resources of Central Europe" (1923).

[2] A cubic meter is 35.3 cubic feet. Allowing one-third for sawmill losses, the board contents of logs may be computed at approximately 283 board feet per cubic meter. Hewn timber may be computed at 353 board feet per cubic meter, allowing one-sixth as waste, and sawn timber or lumber at 424 board feet per cubic meter.

GERMANY'S AVERAGE ANNUAL WOOD CONSUMPTION, 1925 TO 1927

[In cubic meters]

Item	Domestic production	Net imports (+) net exports (−)	Consumption
Wood fuel	25,500,000		25,500,000
Other wood:			
Building	13,900,000	+5,100,000	19,000,000
Mining timber	5,800,000	+200,000	6,000,000
Pulpwood	3,100,000	+3,900,000	7,000,000
For wood manufactures	1,200,000	+4,300,000	5,500,000
Ties	325,000	+675,000	1,000,000
Telegraph poles	600,000	−100,000	500,000
Total	24,925,000	+14,075,000	39,000,000
Grand total	50,425,000	+14,075,000	64,500,000

The building and construction industry is the chief consumer of wood in Germany, but while pre-war (1913) consumption is estimated at 22,500,000 cubic meters (9,540,000 M feet [1]), this figure has fallen now to around 19,000,000 cubic meters (8,056,000 M feet), which is about 49 per cent of the total consumption of industrial woods. Of this 19,000,000 meters, about 13,900,000 meters (5,894,000 M feet) are produced locally and 5,100,000 meters (2,162,400 M feet) are imported.

Somewhat related to consumption in building construction is consumption of wood for mining timber. German mining-timber consumption from 1925 to 1927 averaged 6,000,000 cubic meters annually, or 15.5 per cent of total consumption of the industrial woods. This material was mostly produced domestically, and imports averaged only some 200,000 cubic meters annually.

Available statistics make it difficult to estimate the consumption of wood for furniture making, car building, millwork, cooperage, matchmaking, bent wood, and similar uses, but 5,500,000 cubic meters (2,332,000 M feet) may be considered a reasonable figure. Most of this wood must be imported.

Despite the wider adoption of the steel tie by the German railroads, the use of wood ties has not been seriously affected. It is calculated that out of Germany's 48,000 miles of railways (Federal Railway Co.), 29,000 miles, or 61 per cent, are laid on wooden ties. One kilometer of railway is estimated as requiring 1,529 ties, or about 2,462 ties to the mile, and since wood-preserving practice (such as creosoting) is reported to give them a life of 18 years with prospects of increasing this to from 20 to 25 years, it may be reckoned that out of the approximately 71,500,000 wooden ties in use some 4,000,000 ties have to be renewed annually. Advices supplied by the German Federal Railways are that around 1,000,000 cubic meters are being replaced annually now and will continue to be for some time, as a result of neglect during and after the war. This takes into account private railways and city street-car systems that require their share of wooden ties. Out of a German annual consumption of around 1,000,000 cubic meters of wooden railway ties, imports are at the rate of 675,000 cubic meters, leaving a domestic production of 325,000 cubic meters.

[1] Quantities given in parentheses in M feet do not allow for sawmill waste.

Germany is self-sufficient so far as telegraph poles are concerned and has an exportable surplus. Domestic needs are estimated at some 500,000 cubic meters annually, which permits exports of 100,000 cubic meters.

EXPORTS

The 1927 imports of building and other industrial wood were valued at $121,000,000, corresponding exports were valued at $10,500,000, the import excess being $110,500,000. However, if the value of finished production from these woods is taken into account, an import value of $147,800,000 meets an export value of $137,600,000—an unfavorable balance of $10,200,000. This diminishing spread is largely explained by Germany's vigorous export of paper goods of all kinds, including chemical pulp, which, taken alone, registered a favorable trade balance of $89,725,000 in 1927.

LUMBER IMPORT TRADE OF GERMANY

Trade Commissioner James T. Scott, Hamburg

The principal species of wood imported into Germany are pine, spruce, oak, walnut, beech, cedar, mahogany, okoumé, hickory, ash, cottonwood, hemlock, poplar, teak, jarrah, and ebony. Of these the most important woods imported from the United States are southern pine, Douglas fir, North Carolina pine, oak, walnut, beech, hickory, ash, cedar, west coast hemlock, poplar, and red and sap gum.

Germany's largest imports are in coniferous woods, and of these Poland is the largest supplier, followed by Czechoslovakia, Finland, Austria, Russia, Sweden, and the United States.

Of Germany's total imports of coniferous woods in 1927, Poland's share amounted to roughly 33⅓ per cent; Czechoslovakia furnished 25 per cent, followed by Finland with 12⅓ per cent, Austria with 12 per cent, Russia with nearly 4 per cent, Sweden with 3½ per cent, and the United States with slightly over 3 per cent.

Imports from Poland and Czechoslovakia consist principally of logs, round or squared; from Finland and Austria about half is accounted for by logs and the other half by sawn stock, whereas imports of coniferous woods from Sweden and the United States are almost exclusively lumber.

Of Germany's total imports of oak in 1927, the chief countries of origin were Poland with nearly 38 per cent, Yugoslavia with over 15 per cent, Czechoslovakia with 14 per cent, Russia with well over 6 per cent, and Austria with nearly 4 per cent. The share from the United States amounted to somewhat over 1½ per cent.

Of Germany's total imports of walnut in 1927, roughly 45 per cent came from the United States, about 12½ per cent from Yugoslavia, and approximately 9 per cent from Hungary. From America walnut arrived almost exclusively squared or in logs, whereas it generally arrives sawn from European countries of origin.

Chief countries of origin of German imports of beech are Czechoslovakia, Poland, France, Yugosalvia, and Austria.

German imports of cedar are almost all from the United States, Mexico, Cuba, Costa Rica, and Venezuela.

The most important countries of origin of Germany's mahogany imports are British West Africa and French West Africa. Smaller quantities come from Mexico, the United States, French East Africa,

and Cuba. The bulk of mahogany for the German market, however, comes form British West Africa. Okoumé for the German market comes principally from West Africa. Hickory, cottonwood, hemlock, and ash are mostly from the United States. Teak is supplied chiefly by India, the Netherland East Indies, and Siam; jarrah by Australia; and ebony by Africa.

The German demand for lumber during 1928 did not come up to expectations. Shortage of money and industrial disturbances adversely affected consumption, particularly during the last half of the year, which closed with a heavy accumulation of stocks. The building industry, besides being the most important direct consumer of lumber, has an important influence upon other wood-using industries, such as the making of furniture. The decline in building activity during 1928, the lockout in the Westphalian iron industry, and the three months' strike of shipyard workers during the last quarter of 1928 all tended to restrict consumption.

German softwood lumber imports (sawn) have, however, increased greatly during the past two years. Imports in 1926 were low, being 35 per cent below those of 1925. Those of 1927 were about 125 per cent over those of 1926, and those in 1928, 16 per cent more than in 1927. While the United States proportion of the gain in 1927 over 1926 was comparable with the general increase, its 1928 participation increased by 36 per cent over 1927. The greatest increase in 1928 was registered in East Polish lumber, in consequence of the conclusion of the German-Polish lumber agreement in November, 1927. Imports of softwood lumber from Poland into Germany in 1928 exceeded those of 1927 by 95 per cent, while those from Russia and Rumania increased by 64 per cent and 20 per cent, respectively. The imports from Austria—quite an important supplier of softwood lumber to southern and middle Germany and to part of the Rhineland district—although 3 per cent heavier than in 1927, did not come up to the general increase. Sweden kept pace with the average increase, but imports from Czechoslovakia decreased by nearly one-third, while Finland and Latvia showed lower figures than in 1927. The actual increase from Poland was 285,284 metric tons, and the decrease from Czechoslovakia was 123,238 metric tons. The United States share of the total German imports of softwood lumber during 1928 was about 8½ per cent.

The United States continues to supply almost the entire German requirements for cedar lumber (including pencil slats), the imports of which, although fluctuating considerably, are increasing, amounting to 2,331 metric tons, 1,774 tons, and 2,914 tons in the last three years.

While imports of oak, beech, walnut, and other hardwood lumber, of sorts classed by the German customs as "hard hardwoods," increased during 1928, the trade throughout the greater part of the year was unsatisfactory. Czechoslovakia, Poland, Yugoslavia, and France were the principal sources of supply, followed by Austria, the United States, and Russia. Southern Germany took a fair amount of French oak, while imports from Yugoslavia were mainly oak squares.

The chief interest in American hardwood lumber was in oak, poplar, gum, walnut, and mahogany, and although German imports of these woods are relatively small, they show increases in 1928 over 1927.

Imports into Germany of "soft hardwoods," such as okoumé, birch, alder, poplar, basswood, and cottonwood, are mainly in the log, but

such imports also increased during the past three years by 50 per cent from 1926 to 1927, and by nearly 118 per cent from 1927 to 1928. Shipments from the United States, however, although they have increased slightly, have not kept pace with the general rise in such imports. In 1926 the United States supplied 5 per cent, decreasing in 1927 to 4 per cent and in 1928 to 2.5 per cent. Poland is the chief source of such wood.

The decline in prices for German pine logs, with which the year opened, continued almost uninterruptedly throughout the year, and was estimated by the Prussian and south German forest authorities to have been about 20 per cent. The 1928–29 felling season commenced under relatively unfavorable conditions, with depressed prices and a poor demand for logs. The quantity of logs felled in the German forests does not, as a general rule, vary to any marked degree, since the cut is regulated by the State forest authorities. Prices were about 25 per cent lower than those paid at the corresponding time of 1927.

German sawmills were fairly busy during 1928, and as a result of the decreased demand for lumber during the last half of the year, the 1929 sawing season opened with heavy stocks at the mills.

Imports of softwood logs during 1928 fell about 12½ per cent short of those of 1927 but were, nevertheless, still about 65 per cent greater than those of 1926. Imports of American softwood logs into Germany amount to but a fraction of 1 per cent of Germany's total imports of this kind but, comparing 1926 and 1927, the United States was able to increase its shipments to Germany from 2,537 to 3,369 metric tons, nearly 33 per cent; and comparing 1927 with 1928, the increase was from 3,369 to 7,845 metric tons, over 130 per cent.

Austria also made progress on the German log market at the expense of Poland, and imports of softwood logs from Austria in 1927 were over 160 per cent more than in 1926 and those of 1928 exceeded 1927 imports by about 85 per cent. Imports of softwood logs from Czechoslovakia declined about 18 per cent during 1928.

Douglas fir is rapidly gaining in favor as a veneer log, mainly on account of its large dimensions, while consumption of African okoumé for the same purpose is increasing. The import of American yellow poplar logs increased over that of the preceding year, but the uses of that wood have changed. Formerly, it was mainly used for veneer, but at present it is chiefly cut into lumber, because veneer logs are increasingly difficult to obtain. Out of 379,887 tons of "soft hardwood" logs imported in 1928, 187,185 tons were African okoumé, 106,760 tons from Poland, and 24,323 tons from the United States. The consumption of Spanish cedar logs from tropical Latin America has shown a steady increase during the last three years, the cigar-box industry being the principal outlet. Imports of ash logs have undergone little change, although it is said that the demand for American ash in the west German industrial area, which in earlier years absorbed important quantities of this material, has declined sharply. Arrivals of hickory logs during 1928 exceeded requirements as a result of the long duration of the lockout in the German iron industry which restricted the demand for handles.

Imports of walnut logs in 1928 were heavier than those of the preceding year, arrivals from the United States being about the same as 1927, or over 5,000 tons, about two-thirds of the total, in each year.

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Mahogany—particularly from West Africa—was used in larger quantities than during several preceding years, cheaper prices probably acting as an incentive to greater consumption, though it is felt that this wood is gaining in favor in Germany.

Imports of oak logs have risen rapidly in recent years (30,458 metric tons in 1926, 81,654 tons in 1927, and 84,844 tons in 1928). Russian and Yugoslav veneer logs attracted particular attention, and imports from these countries and from Czechoslovakia rose sharply during 1928. An experiment since the termination of the war has been the importation of Siberian oak, and sample shipments effected during the early part of 1928 gave such favorable results that contracts were closed for a rather large quantity of Siberian oak veneer logs.

A species of African wood which is becoming increasingly popular in Germany is abachi, the name by which the wood often called white mahogany, that comes from Nigeria, Cameroon, and the Ivory Coast, is generally known in Germany. Nigerian abachi is preferred, since Ivory Coast abachi, known also under the name of sambo, is often of inferior quality. Abachi from Cameroon, also known as ayous, is also well liked by the trade, but in spite of the fairly good demand and the comparatively high prices which can be obtained for it, the turnover is very small, as comparatively small quantities are felled.

Total imports of cabinet woods (including walnut and cedar) in logs, timber, and lumber were 43,130 tons in 1927 and 55,618 tons in 1928.

GERMAN LUMBER IMPORTS IN RECENT YEARS

Consul General G. Bie Ravndal, Hamburg

Generally speaking, the German demand for wood of all kinds is a very large one, since the uses to which they are applied in Germany are as varied as in the United States. With its highly developed wood-consuming industries of every sort, Germany is unable to supply this demand from domestic sources, even in those cases where the demand is for species which are native to the country.

Imports of lumber during 1928 were, for the most part, calculated on the basis of the 1927 demand. In many cases arrivals exceeded consumption, so that at times considerable stocks, frequently of inferior quality, collected and were sold slowly, not without disappointment to exporters. German importers are now making every effort to adapt their orders for foreign woods more closely to the requirements of the German market.

The following comments may be made with regard to the present German market for American woods.

Ash.—Imports of ash have not changed materially. The demand continues modest and arrivals are small. The demand in the industrial district of western Germany, which was a particularly good market in previous years for American ash, has fallen off considerably.

Oak.—American oak lumber enjoys but a small sale in Germany. There is a call for red oak and white oak in dimensions of 1, 1.5 and 3.3 inches on the part of certain manufacturers of specialties. It is estimated, however, that sales during 1928 did not amount to more than 50 to 100 carloads. It is thought that the demand for American oak could be considerably increased were a proper campaign to that end inaugurated.

Walnut.—Arrivals of American walnut vary but little and the market for them has been very quiet. There is a worth-while demand for good veneer logs. From what can be learned of the market, it would appear that the figures for walnut appearing in the table "Hamburg imports of certain American woods," given elsewhere in this report, are unduly high. Walnut logs are not put to as many different uses in Germany as formerly, and competition from Caucasian walnut must be reckoned with. It is understood that there is a somewhat heavier demand for northern walnut than for southern walnut.

Pine, fir, and cypress.—The market for southern pine and red pine (kiln-dried southern pine saps) has somewhat declined, not only on account of smaller building activities and high prices asked but also because of the increasing competition of Douglas fir, which is becoming more and more popular and for which a very considerable demand is developing. Except for insignificant quantities coming from Sweden, Germany does not import any true fir (Abies), the "Tanne" (fir) being the one variety of tree produced by Germany in quantities sufficient to supply the domestic demand. Sales of cypress are extremely small.

Magnolia.—Scarcely any magnolia appears on the German market and the wood is but little used.

Red gum.—The German demand for red gum is almost nonexistent, and this wood is imported in very small quantities only. It is used for the making of furniture. German poplar is used as a substitute.

ORIGIN OF IMPORTS

The countries immediately neighboring Germany have the advantage over other lumber-producing countries on account of lower costs of production and of transportation to the German consuming centers.

The following table, taken from the official German statistics, shows the origin of German imports of hardwood logs and lumber during 1924, 1925, 1926, 1927, and 1928.

ORIGIN OF IMPORTS OF HARDWOOD INTO GERMANY

[In metric tons of 2,204.6 pounds]

Class and origin	1924	1925	1926	1927	1928
LOGS, ROUGH OR ONLY CROSSWISE SAWED OR HEWN					
Oak:					
Total	37,638	55,524	30,458	81,654	84,844
Value in 1,000 marks	3,442	7,106	2,435	5,870	7,588
Alsace-Lorraine		524	220		496
Austria		2,422	260	4,121	4,285
Czechoslovakia	9,810	11,323	2,055	8,907	13,539
Danzig		1,927	648	1,892	1,083
France		3,742	1,235		2,965
Hungary					2,909
Latvia			2,724	2,133	
Lithuania				1,918	3,292
Memel				898	123
Netherlands					286
East Poland	13,946	18,479	13,869	33,972	24,415
Polish Upper Silesia				160	358
West Poland	5,485	7,571	5,320	10,802	3,347
Russia				9,896	16,727
Saar Basin					672
United States		1,434	172		
Yugoslavia	499	2,378	1,124	4,261	8,960

ORIGIN OF IMPORTS OF HARDWOOD INTO GERMANY—Continued

[In metric tons]

Class and origin	1924	1925	1926	1927	1928
LOGS, ROUGH OR ONLY CROSSWISE SAWED OR HEWN—continued					
Walnut:					
Total	4,810	6,963	3,914	7,092	7,327
Value in 1,000 marks	1,019	2,108	958	1,455	1,520
Turkey					961
United States		5,220	2,696	5,524	5,950
Yugoslavia					417
Beech and other hardwoods:					
Total	70,295	143,158	55,102	76,621	128,525
Value in 1,000 marks	3,844	15,083	3,571	5,390	8,548
French West Africa			3,372	2,664	6,859
Alsace-Lorraine		1,379	213	291	560
British West Africa					1,495
Austria		5,899	1,554	4,681	10,863
Czechoslovakia	44,467	48,878	17,524	22,516	47,045
Danzig				1,733	551
France		9,106	3,558	1,029	2,362
Hungary		3,141	424		
East Poland	6,647	15,265	11,926	15,910	16,440
West Poland			1,322	2,520	1,277
Polish Upper Silesia				320	1,753
Rumania		2,546			
Saar Basin		3,851	1,236	3,417	9,818
Switzerland		7,855	2,120	3,456	5,695
Turkey					830
United States		27,988	5,811	10,295	12,840
Yugoslavia		5,480	2,355	5,345	4,938
LOGS, LENGTHWISE SQUARED OR OTHERWISE TRIMMED WITH AX					
Oak:					
Total	715	2,770	2,901	8,719	14,181
Value in 1,000 marks	60	262	264	918	1,615
Danzig				1,201	23
East Poland				5,565	5,093
West Poland				242	55
Polish Upper Silesia				27	33
Japan			556	1,311	3,768
Yugoslavia					3,091
Walnut:					
Total	473	199	377	318	1,535
Value in 1,000 marks	83	35	82	52	251
Russia					1,471
Beech and other hardwoods:					
Total	1,320	888	1,202	5,503	7,924
Value in 1,000 marks	102	65	146	705	929
British West Africa				2,432	2,371
French West Africa				2,222	3,209
LUMBER, SAWED LENGTHWISE OR OTHERWISE PREPARED, NOT PLANED					
Oak:					
Total	32,488	64,613	28,489	70,431	104,994
Value in 1,000 marks	4,298	11,883	4,199	10,604	16,050
Alsace-Lorraine		1,482	770	3,571	4,738
Austria	2,390	5,621	937	1,747	2,499
Czechoslovakia	6,699	10,597	3,644	12,337	10,968
Danzig		2,450	1,063	1,907	2,076
France		1,699	1,066	6,818	8,944
Netherlands					1,276
Hungary		3,180	1,065	2,407	4,346
Lithuania					675
Memel					170
East Poland	5,508	12,138	6,638	9,070	23,518
West Poland	5,708	7,238	2,386	3,074	5,394
Polish Upper Silesia		450		433	362
Rumania		2,368	2,064	4,630	6,585
Saar Basin				322	467
United States		4,213	2,738	2,341	4,816
Yugoslavia	5,478	8,692	4,806	19,076	26,154

ORIGIN OF IMPORTS OF HARDWOOD INTO GERMANY—Continued

[In metric tons]

Class and origin	1924	1925	1926	1927	1928
LUMBER, SAWED LENGTHWISE OR OTHERWISE PREPARED, NOT PLANED—continued					
Walnut:					
Total	2,009	2,750	1,089	5,462	5,015
Value in 1,000 marks	641	992	294	922	1,046
Alsace-Lorraine					487
Austria		547	123		
Czechoslovakia					1,073
France					808
Hungary				1,082	
United States		1,058	97		571
Yugoslavia		289		1,547	1,207
Beech and other hardwoods:					
Total	24,986	50,655	29,652	53,452	67,023
Value in 1,000 marks	2,152	4,712	3,418	6,163	7,708
Alsace-Lorraine		2,306	2,133	7,987	7,663
Australia				878	681
Austria	1,714	8,068	2,281	4,082	5,275
Czechoslovakia	14,546	18,627	16,074	18,469	23,717
Danzig				628	702
France		1,604	1,674	7,879	14,842
Hungary		2,173	286	1,325	
East Poland			449	1,028	3,301
West Poland				252	868
Polish Upper Silesia				298	161
Rumania			1,245		
Saar Basin				2,493	2,032
United States			2,127	1,817	1,563
Yugoslavia		5,771	955	3,858	2,721

TRADE OF THE PORT OF HAMBURG

The statistics covering imports and exports for Hamburg (which statistics include those shipments to the free harbor which may be transshipped to other countries and never enter the German customs area) in dealing with timber imports and exports do not distinguish between hardwoods and softwoods nor give the species of wood. The following table shows the Hamburg imports and exports of logs and lumber during 1926, 1927, and 1928. The amounts imported from and exported to various foreign countries are indicated.

IMPORTS AND EXPORTS OF LUMBER AT THE PORT OF HAMBURG

[In metric tons]

Class and country	1926		1927		1928	
	Imports	Exports	Imports	Exports	Imports	Exports
LOGS, ROUGH						
Total	136,199	54,463	265,972	68,267	312,745	72,007
Africa	60,515	4,638	151,478	5,171	169,836	11,373
Asia and India	388	933	1,980	5,240	3,569	6,877
Australia			577		202	
Belgium					423	377
Canada					2,360	1
Canary Islands		941		108		565
Central America			804		2,998	
Danzig	1,052		6,657	542	5,033	815
Denmark		512	4	259	36	1,687
Estonia					8,179	
Finland	2,248	22	4,158	83	3,893	65
France	1,455		4,408	199	4,788	3,741
Great Britian	1,469	17,816	3,542	19,932	1,649	11,290

IMPORTS AND EXPORTS OF LUMBER AT THE PORT OF HAMBURG—Continued

[In metric tons]

Class and country	1926		1927		1928	
	Imports	Exports	Imports	Exports	Imports	Exports
LOGS, ROUGH—continued						
Greece					109	93
Netherlands	1,085	7,021	1,178	6,272	761	5,361
Irish Free State				1,237		868
Italy					609	651
Japan	842				1,744	47
Latvia	2,632	14	5,473		11,870	73
Memel			1,365		3,631	8
Mexico					424	
Norway	8	967				
Portugal		153		401		1,212
Rumania	5,819		3,072			
Russia	2,213				1,284	
South America	29	4,930	1,201	3,747	811	3,208
Spain		3,499	12	4,838	12	8,610
Sweden	6,346	638	1,572	443	4,061	1,272
United States	19,817	614	45,120	2,780	60,644	961
Yugoslavia					182	
LUMBER, SAWED						
Total	89,986	88,064	155,093	125,098	174,809	87,760
Africa	974	16,730	39	30,995	132	31,205
Asia and India		2,035	5	1,346	2,026	5,256
Canada			2,005		3,526	
Canary Islands		1,468		2,723		1,586
Danzig	1,974		4,167		2,061	29
Denmark					67	782
Estonia					63	1
Finland	1,449	14	1,180		12,219	243
France			2,265			1,004
Great Britian	380	20,827	644	23,469	414	8,909
Greece						429
Netherlands	137	3,544		706	158	1,540
Irish Free State		5,636		8,604		2,578
Latvia	4,376		5,639	18	11,532	2
Memel	1,698		862		7,952	23
Norway					1,902	264
Rumania	9,318					
Russia					850	
South America		6,178		8,860		4,288
Spain	1	967		1,249		3,877
Sweden	31,142	826	35,764	918	44,734	1,014
United States	24,851	5,332	77,692	11,375	73,554	4,518
Yugoslavia					506	

The following table showing the Hamburg imports of certain American woods during 1925, 1926, 1927, and 1928 has been privately compiled from the daily publication of the cargo lists of arriving vessels. It is, therefore, unofficial in character.

HAMBURG IMPORTS OF CERTAIN AMERICAN WOODS IN 1925, 1926, 1927, AND 1928

Kind	1925		1926		1927		1928	
	Pieces	Cubic meters	Pieces	Cubic meters	Pieces	Cubic meters	Pieces	Cubic meters
Walnut	12,858	9,876	2,346	1,220	11,699	8,009	10,772	8,100
Hickory	7,788	5,342	3,032	1,610	4,652	3,250	5,254	3,500
Ash	16,587	12,733	2,628	1,227	3,748	2,100	4,508	2,700
Poplar	25,792	21,896	5,393	3,710	22,756	19,560	30,010	21,000
Birch	836	480	452	350	1,809	2,350	1,997	2,459
Maple	292	120	133	70	87	95	305	294
Pine	8,200	8,000	2,304	2,400	1,455	2,210	2,751	5,000
Oak	641	750	206	187	154	200	157	200
Satin walnut (red gum)	210	250	76	120	52	80	58	75

ECONOMIC CONDITIONS AFFECTING DEMAND

The situation of the market is the result of economic conditions. The labor situation, the difficulties in securing credit, and the slow manner in which payments are being effected all naturally influence the market detrimentally. The unfavorable situation of the building trades, which are of such importance to the sawmill industry, is in some measure caused by the extreme difficulty of obtaining mortgages. In addition, the lowered purchasing power of the public is naturally reflected in the decreased consumption and depressed prices of finished goods.

In this connection it may be remarked that since the beginning of 1927 the German wood-consuming industries have passed through a series of interesting changes as a result of the endeavors of the German manufacturers to reduce their production costs. The manufacture of standardized articles on the American plan, the use of foreign woods which had not previously been used in Germany in commercial quantities, as well as the now extensive use of plywood have all contributed toward many changes in the German woodworking industries.

The question of credit is probably the most important one which confronts the American exporter in his business relations with Germany. Czechoslovakia, Poland, the Scandinavian countries, and others have large quantities of logs which they are anxious to sell to Germany, not only to increase their exports but to establish credits to cover such imports as they, in turn, must make from Germany. This condition has caused those countries to extend more favorable terms to German importers than American exporters have seen fit to do.

The usual import terms are cash against documents upon arrival of steamers. The lumber agent sells to the importer on three months sight draft and is, therefore, compelled to finance all transactions through his banker.

SHIPPING FACILITIES

On account of its large free harbor, Hamburg is the principal German importing center for logs and lumber, and the majority of the most important German importers of and brokers handling woods are located there. The value of Hamburg as an importing center is increased by the fact that the city is located on the River Elbe and has a direct water route across Germany and into Czechoslovakia. Hamburg is, therefore, able to distribute its imports of logs and lumber into the interior at rates chaper than those of other cities. It is a great lumber-consuming center also, on account of the various shipbuilding companies and other large lumber-using industries located there.

Hamburg's free harbor is provided with facilities for warehousing and for transshipment of goods by sea to Baltic and north European countries. The free harbor is not within the German customs area, and goods may be stored and transshipped to other countries without the payment of duty. The German customs duty is assessed only when the goods are moved into the German customs area.

MEASUREMENT OF LUMBER

Special regulations governing the measuring of lumber at Hamburg went into effect in April, 1927. The details of these regulations, as

printed in Special Circular No. 1165, issued by the lumber division on October 20, 1927, are as follows:

HAMBURG REGULATION GOVERNING THE APPOINTMENT OF SWORN LUMBER SURVEYORS [4]

By virtue of paragraph 2 of the law of November 15, 1907, concerning commercial experts, sworn tradesmen, and sworn auctioneers, the Hamburg Senate proclaims the following regulation:

PARAGRAPH 1. For the purpose of measuring lumber the chamber of commerce will, as necessity may require, appoint expert surveyors who as such are sworn in by the president of the commission for commerce, navigation, and trade.

As a matter of fact, this surveying is in no way an exclusive privilege; the parties concerned may, if they agree, employ any other measuring method and have the liberty of having the survey done by whom they like. If there is no express agreement, the measurement ascertained by the sworn surveyors is held valid.

PAR. 2. The sworn surveyors are appointed on presentation of the trade associations by the chamber of commerce, for the term of three years, reserving a mutual period of notice of six months.

Before the expiration of this term the surveyor desiring his reappointment must apply to the chamber of commerce. In case of his reappointment a reference to his previous oath is sufficient.

PAR. 3. The sworn surveyors are under the supervision of the chamber of commerce. If the latter learns of facts which render a surveyor unfit for his position, it is entitled to dismiss him even during the time for which he was appointed, without taking regard of the notice provided for in paragraph 2.

PAR. 4. Sworn surveyors are not allowed to engage in any other business, especially such as is connected with the sale, purchase, brokerage, storage, and shipping of lumber, nor are they permitted to take part in such business. Any other extra business must be specially approved by the chamber.

PAR. 5. The sworn surveyors must, under their management, train at least one assistant each for their trade. The surveyor is responsible for all transactions made by his assistant when ordered by him. Following a request to the chamber of commerce, the asistants may be sworn in. This is done by the president of the commission for commerce, navigation, and trade for the period of employment of the assistant in question with the sworn surveyor. If an assistant dies or is dismissed, the sworn surveyor must at once inform the chamber. If, following a complaint found to be based on facts after a hearing of the parties concerned, the chamber demands that a sworn assistant be dismissed from his position, the surveyor must at once yield to this demand.

PAR. 6. When asked to measure a cargo or a lot of lumber, the sworn surveyors must execute this order as soon and as quickly as possible. They must keep an accurate account of the survey made by them and, without demand, at once submit to the person ordering the survey the exact data of the survey by letter signed by themselves or by their sworn assistant. In the case of measurement of logs the account mentioned above must also contain an exact description of the faults found and a statement of the sound knots found. In addition to the person ordering the survey, and with his permission, this account may also be given for inspection to any other of the parties concerned. This statement must contain the individual measure of the survey ordered with the cubic content of each piece and, at the request of the person ordering the survey, also a statement of the quality of each piece, whether sound or faulty. Deviations from the grade of lumber specified must be listed separately, doubtful cases being marked especially.

PAR. 7. Surveying methods:

A. For logs or timber: (1) Net measure; (2) gross measure; (3) net tape measure; (4) gross tape measure; (5) log scale measurement; (6) freight measure (according to weight).

B. For lumber: (7) Cubic or board measure; (8) American board measure.

PAR. 8. *Net measure.*—As a rule, the net measure is employed for the measuring of all woods hewn or sawed more or less square edged as well as of some sorts of wood with wane or bark on. The survey is governed by the general principle that the buyer must actually get the cubic measure ascertained in good wood. The following rules must be observed chiefly:

(*a*) In the case of every log hewn more or less regularly or square edged the length must be measured between its shortest ends with a total deduction of 6

[4] Published in the Official Hamburg Gazette No. 46 of Apr. 27, 1927; translation.

centimeters for existing or still expected air splits in the grain wood from 5 to 5 centimeters, centimeters in excess not being counted. In the case of logs or stumps of a length below 1 meter, each centimeter is measured.

The width is measured by taking the straight line which the saw is likely to follow when the logs are dressed; all projecting parts are left out of consideration. The width must be measured in full centimeters at the narrowest place both on the upper end and the lower side and an average ascertained; however, fractions of a centimeter are not counted. In the case of logs not hewn rectangularly, whose upper width differs materially from the lower, no average of these widths is ascertained, but in this case the narrower width is measured very closely.

The method prescribed for the width is also used to ascertain the thickness.

(*b*) In the case of logs which in their length are prominently tapered or running to a point, the width or thickness is measured not at the narrowest end but at a more suitable place and a corresponding deduction in the length made to make up for this.

(*c*) Latched-out logs are measured in two parts if the log is over 2 meters long and the difference in the widths or thicknesses of the several parts measured together exceeds 6 centimeters. Logs under 2 meters in length are always measured one length only. If there is a short latch-out at the end of a log, a deduction is made in the length. Logs without latches over 6 meters long, whose widths or thicknesses differ considerably from each other at the top and bottom ends and whose survey in one length would result in a disproportionately high loss of measure, must be measured in two parts by making a latch at a suitable place.

(*d*) In the case of logs containing visibly decayed or hollow places in the pith, such as worm holes, grub holes, or rafting pen holes, a deduction must be made from their length to make up for this. For grain decay passing from end to end a deduction is made in the width or thickness only.

(*e*) If the surfaces show any decayed knots, heart rot showing both ends, splits going through, or holes, a corresponding deduction must be made in the width or thickness. If there are such knots near the end, a deduction must be made in the length only.

(*f*) In the case of "pyramide logs" a deduction is made in the length for the walled fork or crutch at the top (the branches still existing), while in all other respects the measurement is made as mentioned under (*b*).

(*g*) For small splits there is no deduction, but for deep splits a sufficient deduction must be made in the width or thickness. However, if there are splits, some wood must be cut off in the length and the width or thickness ascertained after a careful examination. For ring shakes, in so far as they are liable considerably to lessen the value of a log for praetical purposes, and whose extent can be ascertained by knocking with a wood hammer, a deduction is made in the length, width, or thickness depending on the result found.

(*h*) A little sapwood at the sharp edges and a few small worm holes are not considered. However, if there is extraordinarily much sapwood and worm or boring holes in great numbers or of significantly coarse grain quality or other essential defects, to make up for this a deduction must be made in the dimensions in question. The same applies to logs with wane edges. The surveyor must examine the defects evidently existing or supposed to exist by marking (puncturing) the logs.

(*i*) In the case of crooked logs the rule of the survey of the straight line is not adopted; however, in this case a moderate deduction must be made from the width or thickness, as the case may be.

(*k*) Worm holes in the bark extending into the pith of the log can be considered through corresponding deductions only to a certain extent, and only then if they can be seen as such from the outside.

PAR. 9. *Gross measure.*—In the case of hewn or sawed timber, the length is measured between the average ends of the logs from 5 to 5 centimeters. The width or thickness is measured in full centimeters at both ends and in the middle and then the average is taken, dropping fractions of a centimeter.

PAR. 10. *Net tape measure.*—The length is measured from 10 to 10 centimeters between the shortest ends. The circumference is measured by tape in the middle and over the bark if there is any. Of the circumference ascertained the fourth part, measured from 1 to 1 centimeter, is considered to be taken as width and thickness. In this survey no measuring deductions are made for holes or decay in the pith or other defects. If nothing else has been agreed upon, without regard of the grade of wood in the case of all logs with bark on, a bark deduction of 10

per cent of the content is guaranteed in the survey list. No bark deduction is made for logs fully free from bark at the place of measurement.

PAR. 11. *Gross tape measure.*—The length is measured between the average ends of the log from 5 to 5 centimeters. The circumference is ascertained in the middle of the log over the bark and the cubic content figured out geometrically.

PAR. 12. *Log scale measure.*—The log scale measurement is ascertained in the following manner: The length must be taken in full decimeters; cutting places on the surface are measured one half only. The diameter must be measured in the middle of the log crossways with the clutch (log scale) in full centimeters; centimeters not full are dropped. If there is a knot or a thickening in the middle of the log, the log is measured immediately before or behind the knot or thickening and the sum of both surveys is then halved.

PAR. 13. *Freight measure.*—If in the case of foreign lumber the freight is specified in the English measure (English freight measure, gross measure, caliper, queens caliper, gross caliper freight measure, and similar terms), other special agreements between the parties interested lacking, the survey must be made in accordance with the method customary in England, viz, as follows:

The length is measured between the average ends in whole and half English feet, fractions in excess to be dropped.

The width and thickness is ascertained by measuring with the caliper instrument in the middle between both ends of the piece up to ¼ of an inch; fractions in excess to be dropped. Pieces with latches or joints are measured in as many parts as are formed by the joints but in such a manner that in the length a fraction in excess is left out only once by adding each time the fraction in excess to the next part, commencing with the thickest part. (E. g., if a log has four parts whose exacts lengths are 5 feet 9 inches, 4 feet 10 inches, 6 feet 7 inches, and 8 feet 5 inches, total 25 feet 7 inches English, the measuring is 5 feet 6 inches, 5 feet, 6 feet 6 inches, and 8 feet 6 inches, total 25 feet 6 inches English, and not 5 feet 6 inches, 4 feet 6 inches, 6 feet 6 inches, 8 feet, total 24 feet 6 inches English.)

The cubic content is figured out in the case of pieces below 5 cubic feet down to $\frac{1}{10}$ cubic foot, in the case of larger pieces up to 10 feet in length down to ½ cubic foot in the case of pieces 10 and more feet long down to 1 cubic foot.

The freight measure in the metric system is ascertained in a corresponding manner or the content of the English measure is figured into cubic meters by counting 35.25 cubic feet to one cubic meter.

PAR. 14. *Cubic or board measure.*—The length is measured in full decimeters; fractions are dropped. Not-edged boards up to 39 millimeters are measured with sapwood on the small side in full centimeters; from a width of 40 millimeters and up the actual plank width is measured. Planks are measured in the middle on the small and broad side in full centimeters and the sum halved, fractions of a centimeter in excess to be dropped. In the case of edged lumber the width is measured in the middle in full centimeters.

For serious defects, such as air splits (season checks), decayed knots, decay, worm holes, or decaying sap wood, a deduction in length must be made according to the defects of the wood. For sound pith or a straight split there is no deduction.

In case of boards and planks of customary dimensions, as well as of American lumber, the thickness will be figured according to the measures given. A thickness in excess remains out of consideration. If the cut was made in the English measure (1 English inch equal to 25.4 millimeters), the relation of 423 English feet (superficial foot board measure) equal to 1 cubic meter is adopted.

PAR. 15. *American board measure.*—Lumber of American origin (planks and flooring) may, if so desired, be measured with the lumber stick as used in America in the following manner:

In case of boards up to ¾ inch inclusive, the thickness is measured in ⅛ inch, in case of boards of 1 inch and over in ¼ inch with the exception that in the case of boards over 1 inch the sawing was expressly made in ⅛ inch according to an agreement between the parties.

In length only full feet are counted. Excessive ⅝ inch and over are considered a full foot. The customary lengths are engraved in the brass cap of the rule, and in the space in question, the stick having been firmly tightened and put across the piece to be measured, the brass cap of the rule shows those figures which represent the surface measured in American square feet. Here only full square feet are considered. Five-eighths square foot and over is regarded as a full square foot. In the case of ½ square foot an increase is made to the next full square foot alternatively in favor of the seller and the buyer. Since the lots have previously been selected according to widths in English or American inches, the sum of the square feet ascertained is multiplied with the thickness in question, i. e. with 1¼, 1½, 2, 2½, 3, etc., which yields the cubic content of the lot expressed in so-called superficial feet, i. e. in the twelfth part of an American cubic foot representing the cubic content of an American square foot with a thickness of 1 inch.

PAR. 16. The sworn surveyors must on request undertake the weighing and numbering of woods. The weight is ascertained in full kilos only, and in the case of logs of an average weight of 200 kilos or over the weight is stamped on each log together with the log number. A certificate must be issued concerning the weighing or numbering.

PAR. 17. The dues or fees for the survey must be figured out in accordance with the following rates, in marks per cubic meter (for logs) or "fest meter" (the equivalent to cubic meter, but used for lumber):

	Marks per cubic meter (fest meter)
(A) Logs or timber:	
(1) Net measure above 0.25 cubic meter average	1. 25
(2) Net measure below 0.25 cubic meter average	2. 50
(3) Gross measure	. 60
(4) Freight measure	. 60
(B) Round logs:	
(1) Net tape measure	. 60
(2) Gross tape measure, below 100 cubic meters average	. 50
Gross tape measure, from 100 to 400 cubic meters average	. 40
Gross tape measure, over 400 cubic meters average	. 30
(3) Clutch (rule) measure	. 60
(4) American Scribner measure	1. 25
(C) Lumber:	
(1) Over 0.03 cubic meter average	1. 25
(2) Below 0.03 cubic meter average	2. 50
(3) American measure	1. 25
(D) Veneers:	
For each 1,000 square meters	2. 00

PAR. 18. This regulation replaces the regulation concerning the measuring (surveying) of woods (proclamations of Apr. 15, 1920, Official Gazette, page 580, and of Jan. 16, 1924, Official Gazette, page 113).

METHODS OF IMPORTING LUMBER

Trade Commissioner James T. Scott, Hamburg

The lumber trade in Germany has well established trade channels; the importing of American lumber is through agents and/or brokers as direct representatives for American exporters, but there are, however, a very few large importers that buy direct from American shippers. As a general rule, importers buy from agents of American firms located at Hamburg, Bremen, Dusseldorf, or the Netherlands.

In a few cases there are agency firms in Germany acting as subagents of London agents of American exporters. In such cases, as far as can be ascertained, the commission is shared. There are no branch offices of American exporters acting as agents for American lumber in Germany.

Agents and brokers more or less confine their sales to recognized importers, but in some instances they also sell to wholesalers. These appear to be the regular ethical channels, particularly the former. It sometimes happens, however, that agents sell direct to retailers, but this is not considered correct by the trade.

The commission paid to agents and brokers varies between 2 per cent and 5 per cent, according to whether "del credere" is included in the commission or not. The ordinary selling commission is usually in the vicinity of 2 per cent and an additional 2 per cent to 3 per cent allowed for "del credere."

The commission is almost always paid by the exporter, but in a few isolated cases (and then only in the case of valuable woods) it is paid half by the exporter and half by the importer.

It is the opinion of the major part of the trade that it is incompatible with the position of an agent to buy outright from exporters. The method of acting as agent on a commission basis, but sometimes buying outright as importer, is not regarded favorably by either agents or importers. This refers to firms called agent-importers.

As far as could be ascertained, no organization or association of lumber agents exists in Germany. An association of lumber brokers was founded in Berlin since the termination of the war, under the name of "Verein Deutscher Holzmakler e. V." Berlin brokers and a number of Hamburg brokers are members of this association. No agents, however, appear to have any connection with this institution. By way of explanation, the term agent, as used, is a firm which represents only foreign exporters, while a broker negotiates business on a commission basis between buyer and seller.

In pre-war years it was customary for importers to bring in complete softwood cargoes at one time, but at present there are very few importers taking complete cargoes at one time, and then only of north European woods. Some few large importers cater to the wholesalers and retail yards, but this is not usually the case, since most of them sell to such consumers as factories, shipyards, and contractors.

The following are the most important organizations of lumber importers in the Hamburg and Bremen territory:

Verband deutscher am Gross-Verkehr mit auslaendischen, Nutzholz beteiligter Firmen, Plan 5, Hamburg, whose members comprise agents, brokers, importers, and dealers.

Verein der Holzimporteure von Hamburg e. V., Plan 5, Hamburg, and Verein deutscher Holtzeinfuhrhäuser, Bremen, whose members import principally north European softwoods.

In addition to these, it can be said that practically every Province or town of any importance in Germany has its own local lumber merchants' association, and usually several importers are represented among the members of these associations.

Direct sales by exporters to large consumers, such as railroads, shipyards, factories, and contractors, would be regarded by both recognized importers and agents as unethical, and, apart from this, such sales would in all probability prove impracticable, owing to the complicated requirements of such consumers, terms of payment, and other factors, and it would not be advisable, therefore, for American exporters to endeavor to sell direct to large consumers in Germany. The same applies to Government requirements, which are usually publicly announced with tenders invited. It often occurs that Government specifications also include the work or part of the work to be performed, e. g., either for the delivery of lumber at certain places or to include working up, as is often the case when contracting for buildings. It is not thought that it would be possible for an American exporter to handle such business direct, and, in fact, it would be extremely difficult, if at all possible, for agents to do this kind of business. The successful way appears to be for such tenders to be handled by regular importers, and accordingly bids should be placed through such importers.

A certain amount of American lumber business is done on consignment, but this is considered bad policy and often results in losses to shippers. It is the opinion that exporters should generally be able to do without this method and sell only on a firm order basis.

The most common method of payment is cash against documents, in which case generally 2 per cent discount is allowed, but other methods, such as 5 days' and 30 days' sight drafts or documents against acceptance, do not seem to be out of the ordinary.

The German lumber trade appears to be satisfied with the manner in which American lumber is now sold. The regular channels of trade are well established; the establishment of branch offices acting as direct agencies would probably lead to a certain amount of discontent and disapproval.

The usual method employed in handling the output of large old-established Swedish and Finnish lumber firms was and generally still is that of appointing exclusive agents handling only wood, who confine themselves to a strict commission business. The Russian lumber business, also, was so handled prior to the war, and it may be interesting to note that the present Russian lumber exporting associations, although entirely State controlled, are said to be conducting their business in exactly the same manner. The methods of handling other than American woods are thus not essentially different from those employed for American woods, although it is said that Swedish and Finnish shippers extend as much as 4 to 8 months' credit. On cash payments 2½ per cent discount is granted. Agents' commission ranges from 2 per cent to 3 per cent plus expenses, but agents do not run the credit risk (without del credere).

Any of the members of the principal lumber agencies or import firms would be capable of arbitrating disputes, according to the lumber they handle. However, one individual, whose name will be supplied to qualified American exporters, is usually preferred as an arbitrator for American pine woods, since he is a lumber expert, and, not being a member of any lumber firm or employed by such firms, he is considered neutral. It is advisable to see that importers are not nominated to act as arbitrators for disputes arising between American exporters and German importers, because these may possibly be inclined to favor the German importer. An agent or broker of American woods should in such instances be given preference, since either of these would probably be more strictly neutral.

SECTIONAL VARIATIONS IN LUMBER TRADE

BERLIN

Assistant Commercial Attaché Donald L. Breed, Berlin

The usual method of importing lumber into Germany is through the intermediary of the agent. Some lumber is imported into Germany through subagents for agents or brokers handling American lumber in other countries; for instance, the Netherlands and England reship to Germany, but this business is not extensive. Agents and brokers confine their sales largely to recognized and established importers.

The commission paid to agents and brokers varies from 2 to 5 per cent. The usual commission charge for southern pine is 4 per cent, customarily paid by the exporters.

Lumber is largely purchased c. i. f. Hamburg and paid for in dollars or other foreign exchange.

There is no association of lumber agents in Berlin. There is an organization of lumber brokers (no agents appear to have any connection with it) called "Verein Deutscher Holzmakler e. V.," located in Berlin, which confines its activities largely to the importation of softwood lumber from Poland and other states to the east.

Importers cater to all other branches of the trade and to private consumers, factories, contractors, and the Government. The railroads are owned and operated by the Federal Government and do not import directly. There are very few firms or individuals, other than lumber importers and agents, in a position to import lumber.

When the Government is in need of lumber it usually advertises its wants and bids are submitted. The method is similar to that in the United States. It is inadvisable to solicit this class of business direct; it would be much better to have the bids placed through agents or importers who are on the ground and familiar with conditions.

Under the present circumstances it is best for American firms to handle their German business through German agents. Conditions make it very difficult for the establishment of branches, and it would be much better to have the business in experienced hands.

Vice Consul N. P. Davis, Berlin

The following indicates the general practice of the German lumber trade:

Imports are usually made through agents or brokers on a commission of from 2 to 5 per cent on the c. i. f. or f. o. b. value according to arrangement. The commission is usually paid by the shipper. Brokers and agents generally confine their sales to importers and wholesalers.

Lumber imported from such countries as Poland, Austria, and neighboring states is usually paid for in German marks. The usual commission fees of from 2 to 4 per cent are charged. Some large German companies have timber holdings in neighboring countries and naturally draw on them for supplies.

There are no agents or brokers in the Berlin district handling American lumber, purchases usually being made through Hamburg houses.

The principal American woods handled in the district are walnut, yellow poplar, hickory, southern pine, pencil cedar, dogwood, and persimmon.

No business may be expected to be done between American exporters and consumers direct, since such a system is contrary to the established practice.

BREMEN

Consul Francis R. Stewart, Bremen

American lumber, principally southern pine, Douglas fir, cedar, hickory, walnut, oak, and mahogany, imported into Germany via Bremen, is handled for the most part by agents who are direct representatives of the American shippers, or by subagents of agents located in England.

Agents sell only to recognized importers, on a 2 to 5 per cent commission basis, the commission being paid by the exporters. Importers sell to wholesalers and large consumers. Agent-importers are practically unknown in Bremen, and importers, it is stated,

would not buy from such firms. Complete cargoes are not imported at one time, only part shipments of hard and soft woods being received.

Large consumers of lumber, such as railroads, shipyards, factories, and contractors, buy directly from the importers, and the latter would probably consider it unfair business if American exporters should make their offers direct to either large or small consumers. Offers to the Government are also not advisable, for the same reason.

BRESLAU

Consul John E. Kehl, Breslau

There is no direct importation of American wood into the Breslau district. Imports in small quantities through Hamburg agencies are made by local dealers and consumers. The market for American lumber and woods has not been of great importance.

Hamburg is the principal German center for the importation of American woods, through agents and brokers acting directly or indirectly for American exporters. There are no agents or brokers in Breslau acting directly or indirectly for American lumber exporters.

One local firm has a branch house in Hamburg through which its requirements in American lumber, consisting of walnut, ash, poplar, southern pine, birch, and plywood, are purchased. This concern is the largest of its kind in Silesia.

COBLENZ

Consul George A. Bucklin, Coblenz

American lumber is looked upon with favor in Coblenz because it is well manufactured with all boards edged and the quality is good. Perhaps it may be because of greater economy in German sawing of logs that one sees boards whose edges have not been squared; a log is cut up at one operation of a gang saw without first having been squared.

Dealers in Coblenz say that there is a good demand for American lumber under normal conditions. They state that it works up to better advantage than European lumber because it is edged and further that the lumber is otherwise of better quality, having fewer knots.

The practice has been to buy through agents at Rotterdam, Hamburg, Bremen, and Antwerp. German dealers, through their representatives, examine the lumber at the port, select what suits their purposes, and arrange for its shipment to their own yards by means of barges on the Rhine.

Germany itself produces oak, walnut, beech, fir, maple, cherry, and pine and is drawing on its own resources. Pine from the United States is preferred to the home article.

The principal species of wood now imported are spruce and pine from Sweden, Finland, and Austria, the latter country also furnishing some oak, and southern pine, Douglas fir, North Carolina pine, and oak, with a very small demand for cottonwood and hickory, from the United States.

Lumber is imported into the Coblenz district by local importers through agents representing the manufacturers and American exporters.

Coblenz dealers say that they have never paid any commissions to brokers or agents. This would seem to show that the selling cost is paid by the exporter and that it must be included in the price he fixes for his product.

There are no agents or agent-importers in Coblenz, as that district hardly offers a sufficiently large market for their operations. No importer there is in a position to import an entire cargo at one time.

Importers sell to both the retailer and the consumer. They have a separate department where the cabinetmaker, carpenter, or other small buyer can select what he wants, but the main stock is available only to the trade. They have no organization.

American lumber is not sold on consignment, and it is considered to be a doubtful policy for the exporter.

Practices and methods in handling other than American woods do not differ especially, except that metric measurements are commonly used.

COLOGNE

Consul Emil Sauer, Cologne

Pine and oak from Czechoslovakia, Poland, and Austria, and North Carolina pine, southern pine, plain white oak, and cottonwood from the United States are imported into the Cologne district.

Importation of lumber into Cologne takes place both through German agents and through Belgian and Dutch firms at Antwerp and Rotterdam. There are at present no exclusive representatives of American lumber exporters there, nor are there any subagents handling American lumber. No branch offices of American lumber exporters ever appear to have been established in the Cologne district.

American lumber is imported principally through agents and brokers at Antwerp, Rotterdam, Hamburg, and Dusseldorf.

Local practice does not permit the same firm to act both as agent on a commission basis and as importer on his own account. There are no organizations of lumber agents or of importers.

The Government requirements of lumber are supplied almost exclusively by local wholesalers. It is not considered practicable for American exporters to solicit this class of business directly, mainly on account of the fact that bids are not open for a sufficient length of time to enable American exporters to participate. The requirements at any one time usually cover a considerable variety of lumber and altogether are too small, it is believed, to interest American exporters. The Government holds bidders to strict responsibility for bids made, with respect to price as well as other details.

The consignment method of sale is not employed in Cologne, and it is not believed practicable to recommend selling by consignment to American exporters, primarily on account of the uncertainty resulting therefrom and also because of the heavy initial expenses to the American exporter before sales could be effected. These initial expenses include freight, storage, insurance, and similar charges. Commissions charged by local consignees are 2 to 5 per cent. German importers of this district prefer quotations on a basis of c. i. f. German, Netherland, or Belgian ports, so that they may be better able to calculate exact costs to them.

There appears to be no difference in the method of handling foreign lumber other than American.

DRESDEN

Consul Louis G. Dreyfus, jr., Dresden

The consular district of Dresden, comprising the whole Free State of Saxony with the exception of the administrative district of Leipzig, is a very important lumber-consuming and decidedly a lumber-importing district. In fact, Saxony imports more lumber than any of the other German States on account of its industrial predominance. Among the chief consumers are the wood pulp, toy, furniture, and paper industries, which are numerous there. Poland and Czechoslovakia are the principal sources of supply of the Saxon lumber market.

The importers, as a rule, sell to wholesalers exclusively. There are, however, a few special importers who occasionally sell directly to large consumers, such as big machine factories, but this is exceptional. There are no organizations of importers located in Dresden.

The principal American woods imported are cedar, oak, and southern pine. The principal woods from other sources are north European pine and spruce and beech, oak, and teak.

Direct importations by large consumers are not customary. Governmental requirements are left to the competition of the local trade, and only bids of German firms registered in the official register of the various chambers of commerce are taken into consideration.

According to Dresden wholesalers, a fair business in American lumber is done. Cabinet woods and southern pine are imported by local wholesalers in rather large quantities, but through Hamburg importers.

The River Elbe, the only navigable stream in the Dresden district, is used for the transportation of large quantities of logs from Czechoslovakia and from Hamburg to Riesa. With this exception, lumber is handled by the railways. In addition to the big stocks at Leipzig, there are large stocks of lumber at Dresden and Riesa.

FRANKFORT ON THE MAIN

Consul F. T. F. Dumont, Frankfort on the Main

Southern pine, hickory, oak, poplar, and walnut are the principal American woods imported into Frankfort, usually through agents of American firms at Hamburg or Rotterdam and thence forwarded to destination by railroad or water routes. There is no prejudice there against American lumber.

KONIGSBERG

Consul Alfred W. Donegan, Konigsberg

There are a number of large forests in East Prussia, and the lumber industry of the district is of considerable importance. In the southern part of the Province there are many sawmills and planing mills. East Prussian forests have, however, never been able to supply fully the domestic demand. The loss to Germany of the Provinces of Silesia, West Prussia, and Alsace-Lorraine has, together with other factors, caused the demand for foreign lumber to be even greater than before the war. East Prussian sawmills are unable to procure

sufficient quantities of timber to cover their needs, and consequently prices are rising constantly. Fir and pine logs are imported from Poland, Lithuania, and Russia.

The local import business is transacted chiefly through agents who sell exclusively to large first-class sawmills. These dispose of their products to wholesale dealers and consumers. German railroads and shipbuilding yards are supplied directly by importers.

Domestic "Johannisburger" pine is said to be superior in quality, appearance, and permanence to the lumber imported from Poland, Lithuania, and Russia.

There is no organization of importers in East Prussia.

The usual conditions of payment for foreign lumber are cash against shipping documents. Some exporters demand advance payments, but the most important and well-known local importers are usually able to procure their shipments without such payments.

American lumber can be imported only if prices are not in excess of those paid for domestic and other foreign lumber.

MUNICH

Vice Consul Albert Halstead, jr., Munich

No American lumber is imported directly into Bavaria at the present time, since the Bavarian lumber supply is very large and, in general, suffices to meet all requirements. There is said to be a certain amount of foreign lumber of the more expensive kinds imported through agents at Hamburg. This is consumed by furniture manufacturers and consists mostly of cabinet woods and other woods suitable for veneer manufacturing. With these exceptions, it does not appear that any American lumber is imported into Bavaria.

STETTIN

Consul Cornelius Ferris, Stettin

The Stettin consular district has in times past offered a small market for Douglas fir, southern pine, and spruce, which has been used chiefly in shipbuilding. Recent purchases have been made through Hamburg importers. The district is a well-forested region, supplying timber for local consumption as well as for other parts of Germany, and for exports to England and Belgium. Nevertheless, it is believed that certain grades of American lumber may be able to compete with the local product.

There are no retailers or wholesalers in a position to import on a large scale.

STUTTGART

Consul M. K. Moorhead, Stuttgart

The principal species of wood imported into the Stuttgart consular district are spruce, pine, fir, alder, birch, and oak from Yugoslavia, Czechoslovakia, Austria, Poland, and Russia, and southern pine, poplar, and walnut from the United States. Before the war considerable quantities of walnut, poplar, southern pine, hickory, cottonwood, Douglas fir, maple, white oak, and sycamore were imported from the United States. Mahogany is imported from Central America and the West Indies and teak from the East Indies. There have been small shipments of African okoumé and some mahogany from Cuba and Honduras.

American lumber is imported into Stuttgart through Hamburg agents or brokers acting as direct or exclusive representatives, and through large importers at Hamburg. There are no branch offices of American exporters acting as agents.

There is, in the Stuttgart territory, an association of lumber merchants. There are no agents and brokers handling American lumber.

Importers sell not only to wholesale and retail yards, but also to such consumers as factories and carpenter shops. The principal American wood handled at the present time is southern pine.

The railways, shipyards, factories, and contractors do not purchase direct, but get practically their whole supply from the importers. The importers or their agents and brokers would strenuously object and consider it unethical for the large consumers to purchase direct.

The Government requirements are usually obtained from the Government forests or through the large dealers and sawmills, and it is very unlikely that purchases would be made from foreign producers. No American lumber is sold in the Stuttgart district on consignment.

The usual terms of sale and credits for imported stocks are cash before shipment or cash against shipping documents.

Lumber imports from neighboring countries—Poland and Czechoslovakia, for example—are usually purchased by the traveling representatives of the local dealers. The German importer pays cash for these shipments, and there is no question of commission or credit terms.

1928 IMPORTS

The following table, taken from "Monatliche Nachweise uber den auswartigen Handel Deutschlands, 1928" shows the imports of lumber and timber into Germany as classified in the German customs. These figures are preliminary, but it is believed that they are very nearly accurate.

IMPORTS OF LUMBER AND TIMBER INTO GERMANY, 1928

Class and country	M feet [1]	Class and country	M feet [1]
Timber for building and industrial purposes:		Timber for building and industrial purposes—Continued.	
Rough or merely cut across with the ax or saw—		Rough or merely cut across with the ax or saw—Continued.	
Hardwoods—		Hardwoods—Continued.	
Oak—		Walnut—	
Saar	247	Yugoslavia	153
Danzig	207	Turkey	353
France	1,094	United States	1,853
Alsace-Lorraine	182	Other countries	330
Yugoslavia	3,288		
Lithuania	1,208	Total	2,689
Memel	45		
Austria	1,572	Beech and other—	
East Poland	8,760	Saar	3,603
Polish Upper Silesia	132	Danzig	202
West Poland	1,228	France	267
Russia	6,139	Alsace-Lorraine	265
Czechoslovakia	4,969	Yugoslavia	1,812
Hungary	1,068	Austria	3,987
Other countries	1,069	East Poland	6,034
		Polish Upper Silesia	643
Total	31,138	West Poland	469
		Switzerland	2,090

[1] Converted (in round thousands) from metric weights by the lumber division.

IMPORTS OF LUMBER AND TIMBER INTO GERMANY, 1928—Continued

Class and country	M feet
Timber for building and industrial purposes—Continued.	
Rough or merely cut across with the ax or saw—Continued.	
Hardwoods—Continued.	
Beech and other—Continued.	
Czechoslovakia	17,266
British West Africa	549
French West Africa	2,517
United States	4,712
Other countries	2,213
Total	47,169
Softwoods—	
Of deciduous trees—	
Saar	380
Danzig	41
Finland	1,393
France	807
Alsace-Lorraine	859
Latvia	4,662
Lithuania	5,615
Memel	1,269
Netherlands	8,729
East Poland	50,512
Polish Upper Silesia	471
West Poland	1,289
Russia	2,030
Sweden	637
Czechoslovakia	1,027
British West Africa	1,419
French West Africa	90,301
Canada	641
United States	11,918
Other countries	2,725
Total	186,145
Coniferous (needle leaved)—	
Belgium	2,649
Danzig	436
Finland	130,051
Latvia	26,941
Lithuania	16,044
Luxemburg	17
Memel	6,874
Norway	5,200
Austria	249,586
East Poland	363,962
Polish Upper Silesia	15,777
West Poland	34,506
Russia	40,779
Czechoslovakia	351,631
Canada	1,680
United States	3,844
Other countries	3,855
Total	1,253,982
Mine timbers of all previously named classes—	
Danzig	371
Finland	31,342
Latvia	24,608
Austria	4,555
East Poland	70,256
Polish Upper Silesia	11,171
West Poland	57,938
Russia	1,740
Sweden	3,763
Czechoslovakia	8,059
Other countries	3,956
Total	217,779
Wood of previously mentioned classes imported by frontier inhabitants, free	903

Class and country	M feet
Timber for building and industrial purposes—Continued.	
Hewn longitudinally, also shavings for chrifying liquids, etc.—	
Hardwoods—	
Oak—	
Danzig	11
Yugoslavia	1,419
East Poland	2,338
Polish Upper Silesia	15
West Poland	25
Japan	1,730
Other countries	971
Total	6,509
Walnut—	
Russia	675
Other	30
Total	705
Beech and other—	
British West Africa	1,088
French West Africa	1,473
Other countries	1,076
Total	3,637
Softwoods—	
Of deciduous trees—	
British West Africa	761
French West Africa	2,085
Other countries	588
Total	3,434
Coniferous (needle leaved)—	
Danzig	124
Finland	20,026
East Poland	10,319
Polish Upper Silesia	175
West Poland	3,781
Sweden	8,719
Czechoslovakia	5,526
Other countries	2,830
Total	51,500
Sawn longitudinally, not planed, etc., steamed, impregnated, etc.—	
Hardwoods—	
Saar	362
France	228
Alsace-Lorraine	643
Yugoslavia	2,712
Rumania	1,550
Czechoslovakia	6,539
Hungary	637
Other countries	802
Total	13,473
Softwoods—	
Czechoslovakia	925
Other countries	434
Total	1,359
Other sawn—	
Hardwoods—	
Oak—	
Saar	257
Danzig	1,144
France	4,928
Alsace-Lorraine	2,611
Yugoslavia	14,411
Netherlands	703
Austria	1,377
East Poland	12,958

IMPORTS OF LUMBER AND TIMBER INTO GERMANY, 1928—Continued

Class and country	M feet
Timber for building and industrial purposes—Continued.	
Other sawn—Continued.	
Hardwoods—Continued.	
Oak—Continued.	
Polish Upper Silesia	166
West Poland	2,972
Rumania	3,628
Czechoslovakia	6,044
Hungary	2,395
United States	2,654
Other countries	1,604
Total	57,852
Walnut—	
France	445
Alsace-Lorraine	269
Yugoslavia	665
Czechoslovakia	591
United States	315
Other countries	478
Total	2,763
Beech and other—	
Saar	1,120
Danzig	387
France	8,178
Alsace-Lorraine	4,222
Yugoslavia	1,499
Austria	2,906
East Poland	1,819
Polish Upper Silesia	89
West Poland	478
Czechoslovakia	13,068
United States	861
Australia	375
Other countries	1,928
Total	36,930
Softwoods—	
Of deciduous trees—	
Danzig	53
Finland	911
France	5,700
Alsace-Lorraine	4,194
East Poland	27,962
Polish Upper Silesia	187
West Poland	3,331
United States	1,211
Other countries	3,835
Total	47,384
Coniferous (needle leaved)—	
Saar	503
Belgium	829
Danzig	3,214
Estonia	2,276
Finland	268,241
France	3,005
Alsace-Lorraine	909
Italy	2,091
Yugoslavia	8,752
Latvia	14,375
Lithuania	10,814
Luxemburg	102
Memel	23,563
Netherlands	4,444
Austria	248,089
East Poland	266,485
Polish Upper Silesia	9,229
West Poland	111,993
Rumania	167,199
Russia	92,788
Sweden	134,851
Czechoslovakia	177,818
United States	151,105
Other countries	3,366
Total	1,739,131

Class and country	M feet
Timber for building and industrial purposes—Continued.	
Other sawn—Continued.	
Erica wood, not worked or cut into lengths (heather wood)—	
France	113
Italy	160
Other countries	26
Total	299
Cocus wood, not worked or cut into lengths	144
Cedar (also pencil woods)—	
Unworked—	
Mexico	421
United States	253
Other countries	450
Total	1,124
Sawed lengthwise, etc., not planed—	
United States	1,279
Other countries	58
Total	1,337
Mahogany, palisander (rosewood, violet ebony) in the rough or merely cut into lengths—	
French West Africa	1,763
Other countries	593
Total	2,356
Box, ebony, teak, peckwood (Guaiacum officinale), unworked or merely sawed into lengths—	
British India	140
Dominican Republic	347
Venezuela	232
Other countries	563
Total	1,282
Mahogany, rosewood, etc., hewn lengthwise—	
British West Africa	1,072
French West Africa	3,864
Other countries	958
Total	5,894
Box, ebony, teak, peckwood, etc., hewn lengthwise—	
French West Africa	518
British India	179
Netherland East Indies	651
Other countries	458
Total	1,806
Mahogany, palisander, etc, sawed lengthwise, not planed—	
French West Africa	182
Other countries	128
Total	310
Box, ebony, teak, peckwood, etc., sawed lengthwise, not planed—	
British India	2,289
Netherland East Indies	228
Siam	276
United States	148
Other countries	111
Total	3,052

IMPORTS OF LUMBER AND TIMBER INTO GERMANY, 1928—Continued

Class and country	M feet
Timber for building and industrial purposes—Continued.	
Railroad ties—	
Steamed or impregnated, not planed—	
East Poland	32
Polish Upper Silesia	981
West Poland	269
Other countries	215
Total	1,487
Not steamed or chemically treated—	
Hardwood—	
Danzig	1,346
Italy	2,211
Yugoslavia	6,703
Austria	1,421
East Poland	1,161
Polish Upper Silesia	19
West Poland	1,001
Czechoslovakia	1,244
Other countries	514
Total	15,620
Softwood—	
Danzig	4,019
Finland	5,340
Yugoslavia	3,106
Austria	36,949
East Poland	46,706
Polish Upper Silesia	234
West Poland	6,711
Russia	16,423
Czechoslovakia	11,917
Other countries	156
Total	131,561
Manufactures of wood: Building and wood for industrial purposes, planed, grooved, etc., not hereinafter elsewhere specified:	
Of hardwood—	
Boards of artificial wood—	
United States	208
Other countries	203
Total	411
Of softwood—	
Rumania	321
United States	601
Other countries	1,112
Total	2,034
Veneers, wood hanging, paneling, rough veneered boards—	
France	711
Alsace-Lorraine	1
Italy	109

Class and country	M feet
Manufactures of wood: Building and wood for industrial purposes, planed, grooved, etc., not hereinafter elsewhere specified—Continued.	
Veneers, wood hanging, paneling, rough veneered boards—Continued.	
Austria	129
Switzerland	52
Other countries	130
Total	1,132
Wainscoting and parquetry, not inlaid—	
Rough—	
Estonia	283
Finland	4,731
France	791
Alsace-Lorraine	132
Latvia	4,870
Lithuania	676
Memel	434
Norway	993
Austria	254
Rumania	151
Russia	4,314
Sweden	239
United States	905
Other countries	248
Total	19,021
Assembled	21
Wainscoting and parquetry, inlaid	36
Joiners', turners', and wheelwrights' wares, and other common woodenware, n.e.s:	
Unfinished—	
Window frames, doors, stairs, parts thereof, moldings—	
Netherlands	753
Sweden	1,125
Other countries	401
Total	2,279
Finished—	
Window frames, doors, stairs, parts thereof, and other such articles—	
Saar	27
France	55
Alsace-Lorraine	7
Great Britain	60
Netherlands	65
Austria	81
Switzerland	76
Czechoslovakia	147
United States	1,341
Other countries	124
Total	1,983

IMPORT DUTIES

German import duties on lumber and wood products are uniform for all countries except where conventional rates are indicated. The lowest (conventional) rates apply to shipments from the United States and, among others, the following countries: Argentina, Austria, Bolivia, Brazil, British India, Bulgaria, Chile, Colombia, Costa Rica, Cuba, Czechoslovakia, Denmark, Dominican Republic, Ecuador, Egypt, Greece, Guatemala, Honduras, Hungary, Ireland, Latvia, Lithuania, Iraq, Mexico, the Netherlands, Nicaragua, Norway, Palestine, Panama, Paraguay, Persia, Peru, Rumania, Russia, Salvador, Siam, Spain, Sweden, Switzerland, Uruguay, Venezuela, and Yugoslavia.

Where rates are shown both per hundred kilos and per cubic meter, the unit is at the option of the importer (items 74, 75, 76, 78, 79, 80, 82, 83).

Rates are stated and payable in marks. The mark is equal to $0.238 at normal exchange.

When the rate of duty does not exceed 6 marks per 100 kilos, the dutiable weight is the gross weight; when the rate of duty is higher, and there is no special provision to the contrary, the dutiable weight is the gross weight, less the fare allowance in percentage of gross weight as shown at the end of each item, according to the method of packing. The kilo equals 2.2046 pounds avoirdupois.

Goods from the United States receive in all cases the lowest rates provided.

GERMAN IMPORT DUTIES ON LUMBER

Item No.	Articles	Rates of duty in Reichsmarks: General	Rates of duty in Reichsmarks: Conventional
69	Rattan and other more valuable canes, such as bamboo, etc., raw, not split	Free.	
	Timber for building and industrial purposes, not separately mentioned:		
74	Rough or merely cut across with ax or saw, with or without bark—		
	Hardwoods, per 100 kilos	0.12	
	Hardwoods, per cubic meter	1.08	
	Softwoods, per 100 kilos	.12	
	Softwoods, per cubic meter	.72	
	Note.—Wood for building and industrial purposes, in the rough or merely cut across with ax or saw, for the domestic or industrial use of the inhabitants of the frontier district, so far as it is in loads which can be carried or drawn by animals, is to remain free of duty, but it is to be subject to supervision as regards the use to which it is put. The quantity is limited to 10 cubic meters per year for each person entitled to such importation. See note to No. 76.		
75	Hewn lengthwise or otherwise prepared or cut up with ax, also shavings produced by rending (gerissene Spaene) and shavings or chips produced by other processes than rending, and intended for clarifying of liquids—		
	Hardwoods, per 100 kilos	.50	
	Hardwoods, per cubic meter	4.00	
	Softwoods, per 100 kilos	.50	
	Softwoods, per cubic meter	3.00	
	see note to No. 76.		
76	Rough timber, sawn lengthwise or otherwise prepared, not planed—		
	Hardwoods, per 100 kilos	1.00	
	Hardwoods, per cubic meter	8.00	
	Softwoods, per 100 kilos	1.00	
	Softwoods, per cubic meter	6.00	
	Note for items 74, 75, and 76:		
	1. Wood for building or industrial purposes, steamed, impregnated, or otherwise chemically treated, is subject to the following surtaxes—		
	Dutiable by volume, per cubic meter	2.40	
	Dutiable by weight, per 100 kilos—		
	Hardwoods	.30	
	Softwoods	.40	
	2. Rafts (timber rafts) pay duty as wood.	Free.	
77	Brierwood and eocus woods, rough or cut in pieces		
78	Cedar (including pencil wood):		
	Rough, or merely cut into lengths with ax or saw, but not sawn lengthwise or otherwise advanced—		
	Per 100 kilos	.10	
	Per cubic meter	.60	
	Sawn lengthwise or otherwise advanced, not planed, per 100 kilos	.25	
	Note.—Small cedar slats, smoothed on one or two of the edges, are not considered as planed.		
79	Boxwood, ebony, mahogany, palissander, teak, lignum vitæ:		
	Rough or merely cut into lengths with ax or saw—		
	Per 100 kilos	.20	
	Per cubic meter	1.80	
	Hewn lengthwise or otherwise worked or divided with the ax—		
	Per 100 kilos	.50	
	Per cubic meter	4.00	
	Sawn lengthwise or otherwise cut, but not planed—		
	Per 100 kilos	1.25	
	Per cubic meter	10.00	

German Import Duties on Lumber

Item No.	Articles	Rates of duty in Reichsmarks: General	Rates of duty in Reichsmarks: Conventional
80	Railway ties, hewn, sawn on not more than one longitudinal side, not planed:		
	Hardwood, per 100 kilos	0.40	
	Hardwood, per cubic meter	3.20	
	Softwood, per 100 kilos	.80	
	Softwood per cubic meter	2.40	
	Larch, per 100 kilos		[1] 0.32
	Larch, per cubic meter	1.92	
	Note.—Ties, steamed, impregnated, or otherwise chemically treated, are subject to the following surtaxes:		
	Dutiable by volume, per cubic meter	2.40	
	Dutiable by weight, per 100 kilos—		
	Hardwood	.30	
	Softwood	.40	
	Duty to be paid by weight or volume at importer's option. Hewn larch ties are dutiable under 80 even when sawn on more than one longitudinal side, not planed, if imported by railway administrations or treating plants.		
81	Wooden paving blocks, per 100 kilos	1.25	
	Of softwood, per 100 kilos		[1] .80
	Paving blocks, steamed, impregnated, or otherwise chemically treated, are subject to a surtax of (per 100 kilos)	.40	[1] .30
82	Hubs, felloes, spokes, and stock for manufacture of these articles:		
	Per 100 kilos	1.00	
	Per cubic meter	8.00	
83	Staves and heading, also stock for manufacture of these articles, neither dyed nor planed:		
	Oak—		
	Per 100 kilos	.30	
	Per cubic meter	2.40	
	Other hardwoods—		
	Per 100 kilos	.50	
	Per cubic meter	4.00	
	Softwoods—		
	Per 100 kilos	.50	.40
	Per cubic meter	3.00	2.40
	Note.—The duty on cooperage stock is not affected by mere treatment with the draw shave or by smoothing the edges with a plane.		
84	Osier, split or not:	*Per 100 kilos*	*Per 100 kilos*
	Not peeled, also in bundles	0.55	
	Peeled	3.00	
	See note to No. 85.		
85	Hoop staves (split for the hoops of casks and the like) whether coiled or not:		
	Not barked or planed	.55	
	Barked but not planed; barked or not; planed or provided with the incisions which restrict them to use as hoops	3.00	
	Note.—Nos. 84 and 85—Smoothing the split surface, in preparing split osiers or hoop staves by means of the draw shave, or the like, is not considered planing.		
86	Pulpwood, not over 1.20 meters long and not over 24 centimeters in diameter at the small end, under supervision as to use	Free.	
Ex 87	Firewood (coniwood, stumps, brushwood, or fagots, including bundle fagots, chips, and other waste suitable only for fuel); roots	Free.	
89	Wood flour and wood wool or excelsior, including that prepared for medicinal uses	1.20	
Ex 90	Cork (bark of the cork oak), unmanufactured or merely cut into strips or pieces	Free.	
	MANUFACTURES OF WOOD		
615	Wood for building and industrial purposes, planed, grooved, rabbeted, mortised, tenoned, slip, so far as not included under one of the subsequent numbers:		
	Unfinished	6.00	
	Finished	10.00	
	Tare: Cases, 16 per cent; casks, 16 per cent; bales, 6 per cent.		
616a	Veneer, including wall panels (Holtztapeten); plywood wall panes:		
	Unfinished	10.00	
	Finished	30.00	
	Tare: cases, 16 per cent; casks, 16 per cent; bales, 6 per cent.		
616b	Plywood	10.00	
	Tare: Cases, 16 per cent; casks, 16 per cent; bales, 6 per cent.		
	Plywood, whose outer plys are of birch and inner plys are of birch, pine, fir, or aspen		[2] 8.00

[1] Austria. [2] Finland.

German Import Duties on Lumber

Item No.	Articles	Rates of duty in Reichsmarks: General	Rates of duty in Reichsmarks: Conventional
617	Wainscoting and parquetry, not inlaid:		
	Rough—		
	Not glued or veneered	12.00	
	Glued, veneered	20.00	
	Tare: Chests, 16 per cent; casks, 16 per cent; bales, 6 per cent.		
618	Finished, whether glued or veneered or not	24.00	
	Tare: Chests, 16 per cent; casks, 16 per cent; bales, 6 per cent.		
619	Wainscoting and parquetry, inlaid, so far as not subject to higher rates of duty by reason of the material inlaid	36.00	
	Tare: Cases, 20 per cent; casks, 20 per cent; hampers, 13 per cent; bales, 9 per cent.		
620	Wooden bungs, compressed or not	3.00	
621	Match wood:		
	Rough	5.00	
	Finished	9.00	
	Wooden pegs	10.00	
623	Casks (including planed cooperage stock) and other coopers' wares:		
	Unfinished	4.00	
	Finished; finished or unfinished with metal hoops	13.00	
	Casks of hardwood, finished, also unfinished and furnished with metal hoops		[3] 10.00
	Joiners', turners', and wheelwrights' wares, common, also other common wooden wares not previously mentioned:		
Ex 628	Unfinished—		
	Tool handles of hickory or ash	6.00	
	Profiled moldings, window frames, doors, stairs, and parts thereof	15.00	
	Window frames and doors		[4] 6.00
	Other	8.00	
	Tare: Chests, 16 per cent; casks, 16 per cent; bales, 6 per cent.		
	MANUFACTURES OF CORK		
635	Cork, ground or pulverized	3.00	
Ex 636	Cut sheets, strips, and cubes, with bark	10.00	[4] 5.00
	Tare: Cases, 16 per cent; casks, 16 per cent; bales, 6 per cent.		
637	Cut sheets, strips, and cubes, without bark	15.00	[4] 10.00
	Tare: Same as 636.		
	ARTICLES OF VEGETABLE MATERIALS OTHER THAN WOOD OR CORK		
Ex 641	Reed, split, cut up, or pointed, not further advanced	3.00	
Ex 642	Chair cane (Bengal cane, rattan), peddig, bamboo:		
	Cut or split for immediate use, rough, not otherwise worked	3.00	
	Stained, dyed; also rough, split	6.00	
	Varnished, lacquered, or polished	10.00	
	Tare: Cases, 16 per cent; casks, 15 per cent; bales 6 per cent.		

[3] Finland. [4] Sweden. [4] Spain.

SPAIN[5]

The principal American woods imported into Spain are southern pine, oak, gum, Douglas fir, ash, redwood, poplar, and walnut. Southern pine is imported principally in the form of lumber but also in sawed timber and logs and hewn timber. Hardwoods are very largely imported in lumber form; however, some logs and timber are also imported. Douglas fir is imported almost altogether in lumber form, although a small amount of timber is taken.

THE SPANISH LUMBER MARKET

Assistant Commercial Attaché Evett D. Hester, Barcelona.

The Spanish lumber market draws most of its softwood requirements from northern Europe and the Gulf Coast of the United States. Douglas fir imports have been negligible and decreasing since 1925. The general opinion of the trade is that while consumption increased considerably during 1928 there was a general tendency to overimportation.

HARDWOODS

During the past several years—and especially in 1928—competition has greatly increased between American hardwoods and Yugoslav oak and beech shipped from Fiume (hence classified in Spanish customs and import statistics under Italy and called, locally Slavonian, Austrian, Adriatic).

As Slavonian oak maintains a price for all thicknesses from 15 millimeters to 15 centimeters (three-fifths of an inch to 6 inches) it stands intermediate between the 1-inch and 2-inch southern oak, and restricts the sales of the higher dimensions of the American commodity, although it is without effect as regards our small dimensions. Before the war northern Europe very actively demanded what was then called Austrian oak, but after the war Spain was the first country to furnish an outlet for Slavonian lumber. Recently increased demand in northern Europe has caused the Fiume exporters to grade down their Spanish shipments so that its quality reputation is threatened. Slavonian oak is considered by Spanish carpenters and furniture manufacturers as between southern and northern white oak for texture , but the latter oak has little or no market in Spain.

American red gum is meeting severe competition from Yugoslav beech, which when steamed gives a finish similar to that of red gum. Red gum was formerly considered somewhat easier to handle, but with the installation of more machinery in the furniture industry this advantage has disappeared.

Slavonian ash is considered by all Spanish dealers to be tougher and more durable than American ash and may be had at the same

[5] Further information on the lumber trade of Spain may be obtained from Special Agents Series No. 201, "Lumber Markets of Spain and Portugal" (1921). Price 35 cents.

price. A very distinct advantage in the case of Slavonian hardwoods is the fact that their agents will accept l. c. l. orders, or from 10 to 50 cubic meters (4,240 to 21,200 feet).

Within the past three years a definite change has taken place in regard to "tropical hardwoods." The increasing demand for such products has been more largely supplied from recently developed sources in Spanish Africa, especially Fernando Po. Despite this fact, Cuba remains the chief source for tropical hardwoods, largely mahogany. There has been an increased demand for Java teak through the Netherlands.

FINISHED LUMBER—RAILWAY TIES—ROUND POSTS AND POLES

The disproportionately high duties on tongued-and-grooved, planed, and moldings prevents any significant increase in such imports. It may be fairly definitely concluded that there is no worth-while Spanish market in this class of lumber.

The Spanish market for railway ties has almost doubled since 1925, with the advantage credited to Brazil and Italy (see Fiume above). The United States has been a negligible factor in this trade.

The activities of the Compania Telefonica Nacional de Espana, through its purchase of telephone poles for the installation of new and extensive toll lines throughout the peninsula, has considerably increased the imports under this heading during the past three years as compared with the years previous to 1926. Germany, France, and Portugal have furnished most of the supplies.

The production of timber in Spain is limited. A few round posts and poles are produced and short-length small diameter logs from Galicia and Cuenca are shipped to Valencia and other Levant ports, where they are cut into shooks for orange and onion boxes and crates. It is claimed that this production has increased, but there are no figures available.

THE LUMBER TRADE IN GENERAL

Commercial Attaché Charles H. Cunningham, Madrid

North European softwood is preferred in Spain for ordinary uses. It is soft, of straight grain, comparatively free from resin, and easily worked. It is preferred, as a matter of fact, wherever cheapness, smooth finish, and easy working qualities are essential. It is especially well liked in the carpenter shops. Carpenters contend that the north European lumber is more carefully manufactured than American lumber.

It must be borne in mind that varnished wainscoting, doors, and windows are practically unknown in Spain, where the wood is painted with white or some other paint of a solid color so that the natural grain of the wood is not shown. Therefore, since the taste of the consumer has not been educated to appreciate the natural finish of wood, any sort is considered serviceable, provided it takes paint well and is easily worked. Southern pine has the reputation of being full of resin and during hot weather "run." North European lumber, on the other hand, is said to resist high temperature better than American,

and in Andulusia north European lumber actually encroaches upon the uses for which southern pine has always been noted, owing to the fact that the resin oozes out of the latter because of the heat.

Southern pine is considered ideal for heavy construction purposes and can not be replaced by north European pine, because it is heavier, stronger, and obtainable in dimensions which the north European countries can not furnish. For inside finish kiln-dried southern pine might be used were it not for the cheapness of the north European product. Moreover, freight rates from north European countries to Spain are less than from America. It is recognized that southern pine lasts longer and may be used to advantage over north European lumber for such purposes as piling and pier construction.

Spanish lumber is used for lighter building and construction purposes when possible, and also for box shooks in the fruit regions of Spain. Cases for packing canned goods, wines, soap, and other manufactured products are made chiefly from native pine. Some native wood, when sufficiently large and heavy, is used in the mines because of its cheapness, and native timber is also employed extensively throughout Spain in highway construction. American oak and red gum are used for furniture making in Valencia, Madrid, and Barcelona, which are the centers of this industry, although there are smaller workshops which turn out complete furniture suites in nearly all the cities of Spain.

Several Spanish sawmills are located near Madrid, and their operation is encouraged by their proximity to the capital. Their product is cheaper, owing to the higher freight rates which necessarily must be paid on foreign lumber imported through Barcelona, Bilbao, and Santander. These sawmill centers are at Rio Frio, about 50 kilometers (31 miles) from Madrid, where a Belgian company is operating an important sawmill; at Soria, where several Spanish companies are manufacturing lumber from State and municipal reserves as well as from private lands; and at Balsain, in the Province of Segovia, where lumber reserves belonging to the royal family are exploited.

The Asturian and Galician lumber output is not of special utility to the Madrid market. Generally speaking, the domestic pine resembles that of northern Europe, although it is less workable and has more defects. Its chief advantage is that of cheapness, but the difference in price between it and north European lumber is not such as to encourage its use on a large scale except under special circumstances. Galician pine is used almost exclusively for making packing boxes and the kegs in which Almeria grapes are packed. It is said that in the north it is also used for building small coastwise sailing vessels. Native walnut and oak to a lesser extent enter into the manufacture of furniture. Heavy timbers of native wood are used as mine-pit props and also as supporters for bridges, for telegraph poles, and for other uses where cheapness is an incentive and where high-grade foreign lumber is neither necessary nor desirable. Native oak and chestnut are also being used in the construction of automobile bodies, side cars, and as interior furnishings for passenger coaches.

During the past several years American hardwoods have had to meet severe competition from Yugoslav hardwoods (shipped through Fiume and credited in Spanish customs and import statistics to Italy, and called locally Slavonian, Austrian, or Adriatic), especially oak, beech (which when steamed gives a finish similar to that of red gum), and ash.

USES OF AMERICAN LUMBER

American southern pine is considered in Spain rather as a hardwood than as a softwood. Its uses there correspond to the uses of oak in the United States. For example, it is used for furniture and is considered highly desirable for office furniture. Southern pine is preferred for flooring on account of its hardness. Douglas fir is used principally for window blinds and certain millwork.

There are in Spain some uses, such as interior decorations, making of doors, window frames, and molding, to which both American and north European lumber are put, but the latter is preferred on account of its cheapness. A rise in the price of one lumber, therefore, exerts some influence toward increasing the imports of the other.

American oak and red gum are also used extensively for the interior finishings of railroad cars and passenger steamships and for furniture. American lumber is not used extensively in the carpentry shops, because of its hardness, except for special purposes, such as furniture building and when long lengths are required, and it is said that when carpenters are given a chance to exercise preference, they always favor north European lumber. One of the main reasons for the demand for southern pine is its dimensions. The north European lumber does not exceed 4 inches by 11 inches by 27 feet, and larger size can be had only in the American product. Southern pine is used for work which is exposed to water and moisture, such as piers and barges.

In sections of Spain where it does not become excessively hot, southern pine is much preferred to north European lumber so far as resistance to weather is concerned, though other considerations, such as price, softness, and workability, outweigh that of weather resistance. Where stress is to be borne American lumber is preferred to the north European.

PORT FACILITIES

With the exception of Barcelona and Valencia, lumber is handled in the ports almost entirely by hand, and at times the consignees will insist upon its being put on 2-wheeled carts directly, which is a great waste of time and a source of loss to the steamship companies.

In the small ports the importer usually arranges with a custom-house broker to clear lumber through the customs. If the shipment is for local consumption, it is unloaded from the boat and carted to the mill of the consignee. Since the local dealers are only small firms, the lumber is then retailed to the ultimate consumer. In case it is imported by interior concerns the same process is followed, except that it is unloaded onto railroad cars. Large importers resell to small dealers throughout the country, shipping usually by rail, and these dealers retail in turn to the local consumers. Where there are no docks, lumber is landed in lighters and stored in the yards of the importer. Timber is thrown overboard and tied up in the timber pond or taken directly to the mill. In some ports the harbor authorities grant extraordinary facilities to the importer for the checking of lumber on the wharves before it is taken to their yards.

Shippers should exercise great caution in regard to sizes. The lumber trade, especially at Valencia, is thoroughly conversant with American lumber measurements, and, in fact, they form the standard there.

FINANCING OF LUMBER IMPORTS

Up to 1915, and to a very small extent at the present time, lumber importers financed the majority of their deals with the United States through British banking houses, which offered them facilities for credit which they could either not obtain from American banks or obtain after considerable inconvenience. The importers, on placing an order with an American lumber exporter, usually through the latter's representatives in Spain, were generally asked to arrange a bank guaranty, although rarely a confirmed credit, to cover the whole cost of the shipment before the lumber was embarked. Being depositors in the British banks, they had these banks guarantee their accounts, which was done without any excessive trouble. Generally, the British bank, upon receiving the importer's wire or letter merely made an entry of the matter, and sent a telegram to the American lumber exporter advising that the amount involved in the shipment was guaranteed by the bank. Two British banking firms carried in this way the deposits of from 50 to 70 per cent of the importers of lumber in Spain. Liverpool banks, with their cotton connections, are still very strong in Barcelona. The tendency among lumber importers is to demand 30 to 90 days credit from lumber exporters upon placing an order. Purchases are frequently made now at 30 to 90 days sight after delivery of documents.

In some cases, where an agent is strong financially and is satisfied he can not overcome the scruples of his American house against selling beyond an f. o. b. basis, American port, the representative himself stands responsible for a percentage of the shipment, varying from 50 to 80 per cent, binding himself to make good the payment to this extent if the client fails to meet his obligations. This procedure is rare, however. The most common method to-day is for the agent to get and place the order with his house. If the client is unknown, the house gets information from the agent and such other sources as it may care to consult. It then draws on the client, presenting draft for collection together with documents at sight or at from 30 to 90 days. Payment upon delivery of the documents is the most common procedure at present.

The financing of north European lumber shipments to Spain is carried on by British banks, quotations for the most part being in pounds sterling.

METHODS OF HANDLING AMERICAN LUMBER IN SPAIN

Commercial Attaché Charles H. Cunningham, Madrid

The principal American woods imported into Spain are southern pine, Douglas fir, oak, gum, ash, poplar, and walnut.

Lumber is imported through agents acting usually as the direct but not exclusive representatives of American exporters. There is a well-balanced demand for lumber from both north European and American sources, and in many lines there is no competition, the American lumber chiefly imported being southern pine. Because of the fact that neither the north European countries nor the United States supplies all of the varieties of lumber used, it is usually necessary for an agent to have representation of both American and north European lumbers. Most of the agents are located in Barcelona.

Several of the so-called agents are subagents for British firms handling American lumber in other countries. These firms send travelers throughout Spain, but do not have subagents at any ports. Their sales are effected in other cities by their travelers.

There are no branch offices of American exporters acting as agents. Agents confine their sales, with rare exceptions which are mentioned below, to recognized importers and do not sell to retailers or consumers. It would be impossible for American exporters' agents to sell directly to the consumer, for the consumer generally takes small quantities, the demand is scattered, and the importer is considered as a part of the necessary machinery in selling lumber. Since importers buy the bulk of the lumber brought into Spain, it would be easy for a combination of importers in any one city to boycott an agent who attempts to sell directly to the consumer, and thus ruin his business. The importer is a necessary link in the lumber trade in Spain. Agents of American companies usually operate on a 5 per cent commission and of Swedish companies 3 per cent. Since the sales of the latter are in much larger quantities than the American, what they lack in amount of commission is more than made up in quantity of sales.

Many agents in Spain believe that American manufacturers should export to Spain directly, thereby eliminating the commission of the exporter. It is said that most of the north European lumber is bought directly from the manufacturer, which fact contributes to good service, reliability of deliveries secured to order, and a reduction in costs. The agents say that profits realized by American exporters above manufacturers' prices contribute extensively to the increased cost of American lumber in Spain.

Lumber is seldom brought into Spain by agent-importers who handle the product as agents on a commission basis and also purchase outright from exporters. This arrangement works in conflict with the general agency scheme throughout Spain, the center of which is at Barcelona and, as above stated, the agents cover the other localities by traveling salesmen. The agent-importer method is unfavorably regarded by the larger agents because it results in competition between the agent and the importer, and it does not occur except in localities where there is a small market not well covered by the salesmen of the agents. The latter are in a better position to cater to the market, and exporters would do well not to make arrangements with agent-importers, for such business is bound to be small and unimportant and it would be much better to arrange for an agency in one of the large lumber centers with an agent who has had previous experience and is already established. There is no association of lumber agents in Spain.

Most of the importers purchase in small quantities. An exception to this is a large Norwegian company, incorporated in Spain, having branches throughout Spain, which frequently purchases complete cargoes of both American and north European lumber. This firm has depositories in many of the important cities of Spain, and frequently a ship comes consigned to it, distributing the cargo in various ports. It is an importer and not an agent, and it sells to the consumer. Most importers, however, do not bring in full-cargo lots.

The principal importers have their own yards and sell to wholesalers and retailers either from their yards or from the dock. They

also sell directly to consumers, whether factories, carpenter shops, or other large consumers. The agents' prices to importers are in dollars, pounds sterling, or other foreign currency, while the importers' prices are in pesetas with duty paid.

There are two associations of importers in Spain, the Spanish Lumber Importers Association, and the Valencia Association of Wood Importers whose interest is limited to north European softwoods and southern pine. There are no other associations of importers and, generally speaking, the relations among importers are not amicable. The wood manufacturers of Spain have an association called the Association of Sawmilling and Woodworking Firms.

No importations are made directly by large consumers, such as railways, shipyards, factories, and contractors. These organizations are not sufficiently practiced in the purchase of lumber directly from abroad to be enabled to buy independently and, furthermore, such organizations are very exacting in their methods of purchasing and terms of payment. They invariably buy from importers who accommodate themselves to the methods of purchase of these individual organizations. Large consumers, such as railways, shipyards, factories, contractors, and mining companies, seldom buy in sufficiently large quantities to justify direct importation. The direct purchase of lumber by consumers is regarded unfavorably by importers, and agents do not favor this method because it puts them in a bad light with importers, who are sufficiently powerful to boycott them or their particular brand of lumber. Consequently, direct importation by consumers is regarded as unethical and is seldom practiced.

Government requirements are handled in much the same way as those of the large consumers mentioned above. Sales are usually made by importers who, in the case of Government purchases, have to meet special conditions; in fact, catering to Government purchases would be entirely too complicated a proposition to be handled directly by American exporters, and it is not advisable for them to solicit this class of business directly. Bids can be placed only through importers who act entirely on their own initiative and purchase the lumber from the agents who are most convenient and who can meet their demands in price and specifications.

Consignment of American lumber is not advisable; American exporters will find it to their advantage to refrain from this practice.

The sale of American lumber in Spain is generally on a sight-draft basis. European firms, however, give 90 days' credit. The usual commission is 5 per cent and is paid by the exporter.

The methods employed in handling north European lumber through a Norwegian importing company, through British subagents, and through agents have already been described. The only difference between other foreign and American methods is that the former almost uniformly give credit amounting to 90 days or four months from date of bill of lading, and there is a tendency on the part of the market to buy north European lumber because of the more liberal terms conceded. All things being equal, agents prefer to sell north European lumber because, although the commission is smaller, being 3 per cent, the turnover is greater. British agents selling American lumber in Spain frequently pay cash, drawing on Spanish importers

or, if necessary, carrying them from 60 to 120 days, and paying a commission to the subagent who makes the sale.

SECTIONAL VARIATIONS IN LUMBER TRADE

BARCELONA

Consul V. Winthrope O'Harra, Barcelona

Barcelona is the principal lumber market of Spain, and is one of the leading ports of entry for American lumber.

The principal lumber imports into the Barcelona district are as follows: From the United States, southern pine, Douglas fir, red gum, oak, hickory, poplar, and ash; from Norway, Sweden, and Finland, spruce and pine; from Cuba, Mexico, and Spanish Africa, mohogany and cedar; from Austria and central Europe, oak (continental oak is preferred to American oak for furniture manufacture) and beech; from Italy, chestnut; from Rumania, spruce, pine, walnut, and ash.

The prevalent import method is purchase by local importer through Spanish agents. In the method followed through the intermediary of an agent or broker, the sale is made only to wholesale dealers and importers, and seldom if ever direct to consumer or small retailers. All wholesale dealers and importers sell direct to retailers or consumers. Wholesalers and importers sell to other dealers and large consumers. Government requirements are supplied in the same manner as others by the importers.

There is no organization or association of lumber agents in the Barcelona district.

Very little, if any, American lumber is sold on consignment. The few cases which have occurred have resulted disastrously for the American exporter. This method is not advisable.

Softwoods are generally sold on 30 or 60 days' credit, 90 days' credit being the maximum. Very often the terms are cash less 2½ per cent discount. Hardwoods are almost always sold on cash terms or with a maximum credit of 30 days.

BILBAO

Consul H. M. Wolcott, Bilbao

The principal species of wood imported into the Bilbao district are spruce and pine from north Europe; southern pine, white oak, and red gum from the United States; mahogany from Central America and Spanish Africa; and teak from the East Indies.

American lumber is imported largely through Spanish agents, who either act as direct representatives of American exporters or are subagents for European agents representing American exporters. There are no branch offices of American exporters in the district.

Agents of American firms confine their sales to recognized importers. A few agents of German exporters sell occasionally to retailers and consumers, but the practice is regarded unfavorably. Agents of north European exporters are said to work on a commission of 3 per cent, but agents of American firms usually receive 5 or 6 per cent. The commission is paid by the exporter.

There is no local organization or association of lumber agents.

All of the large importers of the district sell to consumers, such as factories, shipyards, and carpenter shops, as well as to other wholesalers and retail yards. There is no local organization of lumber importers.

The local shipyards and railroad companies occasionally import direct, but this practice is not common and is looked upon with great disfavor by the recognized importers as well as by agents and brokers.

The Government fills its requirements by advertising for bids. In most instances it would be difficult, if not impossible, for American exporters to secure this class of business direct; the intervention of a local concern is almost always necessary.

No American lumber has been sold on consignment. Lumber is generally sold for cash, or against open credit, but in some cases against accepted draft with bank guaranty. Some sales have been made on four months' credit with the option of 2½ per cent discount for cash, but at present, as a rule, importations are made in small lots to meet immediate requirements, and payments are on a cash basis or equivalent.

A prominent Norwegian firm maintains branches in all the important trade centers of northern Spain, where large stocks are carried, and this firm has been able to build up a large trade. Some German firms are selling direct to consumers and granting exceptional terms of credit, but it does not appear that they are meeting with great success. The Norwegian and Swedish exporters appear to have the bulk of the trade.

Pine from northern Europe is generally preferred to southern pine, because it is stated that it is easier to work, and a great variety of dimensions are available, although the percentage of wide stock and long lengths in north European lumber is exceedingly small.

CADIZ AND JEREZ

Consul Lucien N. Sullivan, Cadiz

The terms on which lumber is imported from the United States are somewhat different from those on which it is is imported from other countries. There are some firms of long standing in Cadiz which have established credits in the United States, and they may receive credits of 60 to 90 days or any other terms agreed upon between the parties. It is usual, however, to pay against documents in Cadiz. For persons who are not known to the American exporters, the requirements are cash against documents at the port from which the lumber is shipped.

The method of financing shipments of lumber from Sweden is 3 per cent discount for cash against documents in Cadiz, or cash in four months with acceptances, payable in London, against delivery of documents. It was customary before the war for the importing firm to send 50 per cent cash with the order, the balance to be paid against documents in Cadiz.

The most important item of lumber imports into Cadiz consists of oak staves from the United States, the furniture industry being of less importance but using American white oak and red gum. Some southern pine is used in the various shipbuilding plants in the harbor of Cadiz; hardwoods from Spanish Africa, South America and the Netherland colonies are extensively used in the finishings for ships.

The greatest source of supply of hardwood at the present time is the Spanish island of Fernando Po, in the Gulf of Guinea, on the African coast. The wood is principally African mahogany.

CORUNNA

Vice Consul George C. Arnold, jr., Corunna

The principal species of wood imported into the Corunna district are pine and spruce from northern Europe and Germany, and southern pine and small quantities of white oak and red gum from the United States. Considerable quantities of north European pine and spruce are reshipped from the port of Gijon.

Sales of American lumber are made usually by Barcelona agents of American exporters, but the shipment is sent direct to Corunna.

The large retailers and one large consumer in Corunna district are also importers. Sales are confined to these importers, who in turn sell the lumber both to other merchants and to other consumers. There are no agents or brokers in the district.

The importers all sell to other wholesalers and retailers, as well as direct to consumers of all classes from factories to the smallest carpenter shops. There is no organization of importers; the competition among the leading importers is very keen.

All Government requirements are, with few exceptions, handled indirectly, the Government never interesting itself in the purchase of lumber or any other construction materials. When the Government desires a certain piece of work performed, bids are received and the contract given to the most favorable bidder. The contractor purchases the lumber and other materials required to fulfill the contract. Only in the case of the army are the engineers allowed to purchase the required lumber direct, and this purchasing is usually done through the nearest lumber dealer. From the foregoing it is clear that American exporters can not solicit this class of business direct. It is, of course, possible to treat through agents with the contractor in charge of the work. In practice, however, this is never done, the contract seldom being of great importance to lumber interests and the local importer being right on the spot to present his bid.

American lumber is not sold on consignment. Terms of sale are practically always cash against documents, importers preferring to pay in this manner in order to get the benefit of the discount.

North European lumber is handled in the same manner as American woods. Importers are indifferent as to whether they buy their lumber direct, through agents in England, or through agents or subagents established in Barcelona.

HUELVA

Consul Horace Remillard, Huelva

The principal species of wood imported into the Huelva district are north European pine and southern pine from the United States.

In addition to these two woods, small amounts of hardwoods are imported from the United States and Continental countries for furniture making.

Shipments of pine from Sweden are used principally in carpentering. Southern pine is used for shipbuilding, to some extent in carpentering when long lengths are required, for piers, small wagons, building shafts in the mining industry, and to a slight extent by railways. The main reason for the demand in southern pine is its dimensions. North European pine seldom exceeds 4 by 11 inches by 27 feet, consequently greater size can be had only in the American product. Southern pine is likewise preferred for work which is exposed to water and moisture, such as pier construction and shipbuilding.

In addition, native pine is extensively employed for railway ties, telegraph poles, cases for canned goods and wines, cheap carpentering, and for certain work in mining, such as for pit props. Generally speaking, it is preferred on account of its low cost.

There are no agents or brokers acting as direct or exclusive representatives of American exporters. In Huelva Province there are no subagents for agents or brokers handling American lumber in other countries. It is largely in Barcelona that contracts are made for importations into Huelva. Large consumers, such as railroads, shipyards, factories, and contractors, do not import direct. Such a method of importing is regarded as unethical by importers.

The Spanish Government always buys at the place, or as near to it as possible, where the lumber is to be used; consequently, it seldom if ever imports from abroad. Indents are usually not called for, the business going to favored houses. No favorable results would follow from soliciting the business direct by American exporters.

American lumber is not sold on consignment. Experiments in the past resulted disastrously for both importer and consignor.

Swedish lumber sells in pounds sterling, at approximately the same terms as American. Credits are a trifle more elastic, since importer and seller are in closer touch.

MADRID

Consul Keith Merrill, Madrid

The principal species of wood imported into the Madrid consular district are north European pine and spruce, southern pine from the United States, and various European and American hardwoods. Large quantities of Spanish pine are used in Madrid. All supplies of imported lumber are secured through recognized importers at a seaport.

The dealers sell to any one, whether wholesalers, retailers, or consumers.

By Spanish law all Government requirements must be filled, if possible, from domestic sources. In the event they are inadequate to satisfy Government demands, a royal order is promulgated advertising the fact that the Government desires certain products from abroad, and in the event that no Spanish source responds it becomes possible, after more legal formalities, for the Government to buy abroad. In the case of lumber this has seldom, if ever, occurred.

The terms of sale and credits covering imported stocks, which are bought in small lots from an importer in a Spanish port, are are matters of individual arrangement. American lumber is not sold on consignment.

In Madrid the cheaper houses have domestic tile floors, and north European lumber is used for window sashes, frames, domes, door frames, molding, and wainscoting. Southern pine is preferred for flooring, and the better-grade building usually has a wooden floor for all rooms except kitchens and less important bedrooms. The use of wooden floorings in Madrid is increasing. In this connection it may be noted that in the southern sections of Spain wooden floorings are seldom found. In Madrid probably 75 per cent of the more modern houses are equipped with wooden floors, it being almost entirely a question of the climate, and since Madrid is a city of sudden climatic changes and where it is actually chilly at least six months of the year, the efficacy of wooden floors for moderating the temperature inside of the house or office can be recognized.

MALAGA

Consul Gaston Smith, Malaga

The import lumber requirements of the Malaga district are not important and consist principally of lumber for building construction and small quantities of heavy mining timber. The lumber used for making fruit crates is not imported, being obtained principally from the Galician Provinces in the north of Spain. The lumber imported consists principally of spruce and pine from northern Europe and southern pine from the United States.

There are no agents or brokers of foreign lumber exporters established in Malaga. Purchases of foreign lumber are usually made by the few local dealers through the intermediary of Spanish or English lumber brokers or agents. Price is the main factor.

The opinion of the local dealers is that the American southern pine is a more durable wood than the north European species, but that it is not so easily worked nor can it be glued together as readily and for these reasons north European pine is preferred for joinery work. Another objection to southern pine is that it is not as uniform as to sizes as the lumber coming from the north European sawmills. On the other hand it is considered stronger and more durable and for that reason better adapted for beams, heavy construction work, and similar uses.

The requirements of the Malaga district, as far as construction lumber is concerned, are never very great, and it is believed that agencies established in Barcelona can supply all Spain, but it would be advisable to place such agencies in charge of persons who would endeavor to give special attention to the sale of American lumber.

As a general rule, the Government public works and the large consumers, such as railroads and factories, purchase their lumber through the intermediary of some representative or, if the quantity required is not important, from one of the local dealers.

Lumber is not sold on consignment in Malaga, and it is not deemed advisable to adopt this method. There are no organizations or associations of lumber agents or of importers. Individualism in this, as in all other industries of Spain, is the predominant note.

SANTANDER

Consul L. G. Dawson, Santader

The principal species of wood imported into the Santander district are spruce and pine from north Europe; southern pine, red gum, white oak, and walnut from the United States; maritime pine from

France; and mahogany from Cuba, Spanish Africa, and the United Kingdom. Posts, round stakes, and pit props come from Germany.

A very small part of the imports into Santander are for use there. The imported lumber is generally reshipped to Madrid and other cities in the interior.

There are but few firms in Santander which import American lumber, and their purchases are in small quantities. American lumber is usually purchased through Spanish agents located in Barcelona.

There are no lumber brokers or agents at Santander, nor are there any branch offices of American exporters of lumber. There are no organizations or associations of lumber dealers.

There is only one importer in the Santander district who is in a position to import a complete cargo of lumber at one time. This is the Norwegian company referred to previously.

Importers sell to other wholesalers, to retailers, and to consumers such as factories and carpenter shops. There are no large consumers of lumber at Santander. The railways, shipyards, small factories, and port works purchase lumber, as needed, from the local dealers.

SEVILLE

Consul William C. Burdett, Seville

The greater part of the American lumber brought to Seville is southern pine, with smaller amounts of red gum, white oak, poplar, and ash. Most of this lumber is shipped in steamers small enough to negotiate the sharp turns in the river entrance to Seville. A considerable quantity of American lumber is received from other ports of Spain, such as Huelva and Barcelona.

Lumber from countries other than the United States is principally north European pine and spruce, with smaller quantities of Austrian beech, oak, and spruce and Portuguese pine.

American lumber imported into the Seville district is chiefly for building purposes. Mine timbers and lumber for furniture are supplied mainly by European exporters. There are no important industries in the district which might furnish an outlet for large quantities of American lumber. The chief building materials are brick, stone, concrete, and tiles. Spain is not an important producer of forest products, especially in the region for which Seville is the distributing center.

The Seville lumber importers secure their supplies of American lumber through Spanish agents of the American exporters. There are no agents there handling American lumber. The Seville importers are important enough to handle softwood lumber in shipload lots. Agents are paid a varying commission by the seller, depending on the importance of the order, 5 per cent being the usual rate.

Seville lumber importers, while cooperating in a general way, are not organized. Purchases are effected by the dealers acting independently. These dealers sell both wholesale and retail. The larger consumers, such as the Government and the railroads, advertise for bids, and contracts are usually awarded to one of the large importing firms.

In the Seville market southern pine has the general reputation of being superior to pine from northern Europe.

The usual credit terms are payment against draft, bill of lading attached, through any of the local banks.

VALENCIA

Consul Robert Harnden, Valencia

The following American woods are imported into the Valencia district: Southern pine, red gum, white oak, ash, and beech. Considerable quantities of north European softwoods, Austrian spruce and oak, Cuban and Spanish African mahogany, and Brazilian hardwoods are also taken.

American lumber is usually purchased through Spanish agents acting as representatives for American exporters. There is an organization of lumber importers in Valencia called the Valencia Association of Wood Importers.

No American lumber is sold on consignment. Terms are usually 2½ per cent cash discount or four months net.

Valencia has always been the best individual market in Spain for American lumber. For many years the United States has been an important source of imported lumber for heavy construction, harbor improvements, dock building, and other similar activities. Southern pine is the chief wood taken from America, and there is also a demand in Valencia for oak for furniture factories, Valencia being second only to Barcelona in Spain in the manufacture of furniture and Valencia furniture having actually a wider distribution throughout the country. Spanish walnut and red gum, as well as Continental oak and beech, are also used in considerable quantities by the furniture factories. Before the war the importations were large, but during the war period they practically ceased because of transportation difficulties and the increase in the price of lumber. During the first years immediately following the war economic conditions and the lack of general prosperity in the Valencia district prevented the immediate resumption of importations; however, it is believed that the pre-war lumber import figures of 30,000,000 board feet will undoubtedly be reached again.

VIGO

Consul Henry T. Wilcox, Vigo

Native, northern European, and American lumber, especially southern pine, supply the needs of the Vigo district. Native lumber is used for the most part for boxes and cases, shipbuilding, and rough furniture. North European lumber is popular because of its lightness, the ease with which it can be worked, and the fact that freight from Baltic ports is less than that from American ports. It is preferred for the interior finishing of the houses, which in that part of Spain are all built of stone. Lumber from the United States, chiefly southern pine, is used principally for floors, joists, and beams, and finds favor because it lasts, has strength and stiffness, comes in longer lengths than other lumber, and stands the climate very well. No complaints are heard against the quality of American lumber.

In Vigo imported lumber is bought from Spanish agents representing foreign exporters. No agents have their headquarters there. The lumber importers of Vigo are wholesalers for the few orders which come from small dealers in towns in the interior, and retailers for the sales which are made in Vigo and vicinity. These importers are not always in a position to import individually full-cargo lots of lumber, so they

sometimes combine their orders and thus secure the advantages of cargo-lot shipments. There is no organization behind these clubbed orders. They are simply informally agreed upon whenever convenience suggests their use.

There are no large consumers who import for their own use. No American lumber is sold on consignment.

The present terms of sale for both American and northern European lumber are payment against shipping documents.

Because of the comparatively small quantities of lumber which the importers in the Vigo district order at any one time, it would appear that the best way to sell American lumber there is by means of agents.

IMPORTS IN 1927

The following table, taken from Estadistica del Comercio Exterior de Espana, shows the imports of lumber into Spain during 1927, the latest year for which official figures are available:

IMPORTS OF LUMBER INTO SPAIN, 1927

Class and country	M feet [1]
Crossties for railroads:	
Germany	156
Belgium	19
Brazil	28,841
France	26,371
Italy	5,704
Poland	735
Other countries	1
Total	61,827
Posts and round stakes of common wood:	
Germany	3,242
Belgium	187
Czechoslovakia	77
France	8,868
Great Britain	142
Portugal	7,461
Switzerland	185
Other countries	116
Total	20,278
Ordinary lumber:	
More than 1.58 inches in thickness—	
Fernando Po	353
Germany	1,771
Angora	464
Algeria	1,049
Austria	217
Brazil	347
Czechoslovakia	294
United States	39,062
Finland	24,527
France	11,515
Great Britain	669
Netherlands	460
Italy	25,922
French Morocco	1,606
Norway	539
Portugal	3,801
Rumania	228
Sweden	108,785
Yugoslavia	137
French Africa	240
Other countries	206
Total	222,107
Less than 1.58 inches in thickness, inclusive—	
Germany	1,333
Austria	187
United States	10,607
Finland	9,525
France	15,191
Great Britain	111
Netherlands	634
Italy	11,542
Norway	250
Portugal	7,133
Rumania	907
Sweden	58,415
Other countries	209
Total	116,044
Planed or grooved—	
Germany	150
United States	127
France	531
Sweden	217
Other countries	130
Total	1,155
Fine woods, in boards and planks:	
Unworked, of more than 1.58 inches in thickness—	
Fernando Po	278
Brazil	458
Cuba	1,903
France	302
United States	312
Great Britain	246
Netherlands	370
French Africa	148
Netherland Oceania	148
Other countries	314
Total	4,479
From 0.20 inch to 1.58 inches in thickness—	
Germany	1
Portugal	2
Other countries	1
Total	4

[1] Converted (in round thousands) from metric weights by lumber division.

IMPORTS OF LUMBER INTO SPAIN, 1927—Continued

Class and country	M feet
Fine wood in sheets up to ⅛ inch thick, inclusive:	
France	18
Great Britain	4
Denmark	3
Other countries	3
Total	28
Flooring and paving of one or several kinds of wood	1
Ordinary wood, worked, in articles for carpenters:	
Germany	62
United States	105
France	121
Great Britain	80
Sweden	31
Finland	40
Other countries	66
Total	505
Lath and moldings of common wood:	
In the white—	
Germany	1
France	6
Total	7
Finished and those of fine woods—	
Germany	16
France	1
Italy	6
Netherlands	1
Other countries	1
Total	25

IMPORT DUTIES

The Spanish tariffs schedule carries two columns, "first tariff" and "second tariff." The "first tariff" rates are in all cases the highest and are applied to goods from those countries which have no treaty with Spain. The "second tariff" rates are usually considerably less than the first and apply to goods from countries to which they have been granted by treaty, or which receive them by most-favored-nation treatment. Goods from the United States are dutiable at the lowest rates granted to goods from any other country.

New general lumber classifications as published in the official Gaceta de Madrid, January 15, 1926, are as follows:

"Imported lumber which is to be considered for customs purposes as fine lumber includes the following: Holly, satinwood, camphorwood, Amaranth, box, mahogany, cedar, cherry, cypress, plum, ebony, juniper, West India red ebony, pomegranate, guaiacum, jasmine, laurel, lemon, walnut, hornbean, olivewood, rosewood, lignum vitæ, sandalwood, sapan wood, and teak.

"The ordinary woods, according to this new classification, are as follows: Birch, hemlock, acacia, poplar, alder, black poplar, evergreen, oak, ash, beech, elm, pear, fir, pine, plane, oak, and red gum (saten)."

Duties are payable on gross or net weight as indicated, and are stated in gold pesetas. The normal value of the peseta is $0.193, exchange variable. The kilo equals 2.2046 pounds avoirdupois.

Spanish Import Duties on Lumber

[In gold pesetas]

Item No.	Articles	First tariff	Second tariff
	WOOD		
97	Staves of oak, chestnut, or any other kind of common wood except common pine, per 100 gross kilos	5.00	2.00
98	Railway ties (see note to 99), do	3.00	1.05
99	Posts and round stakes of common wood, and mine timber up to 25 centimeters in diameter, per 100 gross kilos	4.00	1.25
	Note.—Treated or impregnated ties, posts, and construction timber are subject to a surtax of 10 per cent.		
	COMMON WOOD (INCLUDES TEAK)		
100	Boards more than 75 millimeters thick; planks, joists, girders, and logs, and wood for ship construction, per cubic meter	33.00	10.00
101	Boards and planks, over 40 millimeters thick but not more than 75 millimeters thick, per cubic meter	36.00	11.00
102	Boards not over 40 millimeters thick, do	40.00	12.00
103	Planed or grooved boards, do	72.00	24.00
	FINE WOOD		
104	In logs and pieces, not worked; planks and boards over 40 millimeters thick, per 100 net kilos	9.00	3.00
105	In boards over 5 millimeters thick, do	30.00	10.00
106	In sheets (veneers) not over 5 millimeters thick, do	150.00	60.00
107	Wood cut to size for land and maritime construction, do	66.00	20.00
108	Palings and fencing of common wood, rough, do	1.00	0.40
109	Hoops for casks, rough, do	15.00	6.00
110	Pulp wood, logs, per 1,000 gross kilos	5.00	0.80
	MANUFACTURES OF WOOD		
	Cooperage and cooperage shooks, jointed or not:		
111	Tight cooperage for liquids, per 100 net kilos	50.00	20.00
112	Slack cooperage; also boxes or box shooks, and common pine staves, per 100 net kilos	12.00	4.00
113	Flooring, including parquetry, do	165.00	55.00
114	Common wood, worked: Carpenters' wares, neither turned nor carved, do	75.00	30.00
115	Turned or carved articles (woodenware), whether painted or varnished or not, except furniture and beading, per 100 net kilos	113.00	42.00
117	Ply wood of fine or common wood, combined with cardboard or not, do	345.00	115.00
	Beading or molding:		
118	Of common wood— Plain, do	54.00	18.00
119	Painted, varnished, or lacquered, do	90.00	30.00
120	Of fine wood, plain or varnished, do	150.00	50.00
	Cork:		
133	In sheets and planks, per 100 gross kilos	3.00	.80
134	Shavings and dust, do	3.00	.75
135	Squares, per 100 net kilos	50.00	10.00
140	Esparto, rough, per 100 gross kilos	6.00	2.00
Ex 141	Bamboo, rattan, reeds, osier, wood shavings, etc., unworked, do	3.00	1.00
C 1540	Wooden houses, assembled:		
	(a) Houses with double walls (so-called blockhouse system, etc.) without vertical framework, with exterior wooden wall more than 6 centimeters in thickness, per 100 net kilos	30.00	15.00
	(b) Houses and bungalows, demountable, with wooden framework of mortised boards, double wall of wood with hollow space between, and interior lining of wall board or similar insulating material, per 100 net kilos	24.00	12.00
	(c) Houses, bungalows, and huts, demountable, with frames of mortised wood, with double wall, the outside of wood, the inside of cardboard or similar material, with hollow space between the two walls, per 100 net kilos	16.00	8.00
	(d) Houses, bungalows, and huts, demountable, with or without framework, with single wall, and without insulation of any kind, per 100 net kilos	12.00	6.00

NOTE.—Material for construction of cheap houses, as well as such houses knocked down, may be admitted duty free, if similar articles are not produced in Spain, upon complying with certain conditions.

ITALY[6]

The Italian market for American lumber is fully covered by numerous agents, between whom competition is already keen.

The following comments as to developing the Italian market for American woods were furnished to Commercial Attaché H. C. McLean, Rome, by an agent prominent in the Italian import lumber trade.

The establishment of stocks in Italy for the sale of American woods direct to merchants and consumers is, in accordance with the opinion of experienced agents, a poor policy for an American shipper to follow. One American lumber exporter, after a study of the proposition, decided against it. Reasons for which such a policy is not advisable are following:

1. An American firm having its own stock or yard in Italy would be immediately boycotted by all important importers, who are buying on the usual c. i. f. terms.

2. It would have to sell to the small importers and consumers in accordance with Italian ideas of business, which are quite different from American and British practice, carrying the risk of long-time credits. Difficulty between the large importers and the American firm would arise on prices, which would undoubtedly turn in favor of the big Italian importers, who handle, besides southern pine and red gum, European woods of larger consumption, against which would be charged the loss incurred on the American woods in meeting the new competitor. Taxes would also be a source of trouble. The American concern having a stock in Italy would be obliged to carry all dimensions, beside installing a small sawmill to cut special sizes as required by buyers.

3. The small buyer, the source of the largest margin of profit, would always give preference to the seller who could furnish him mixed cars of European spruce or fir, and mahogany, as well as southern pine and red gum.

PAYMENT TERMS

Originally, payment terms for all c. i. f. sales closed with American shippers were: F. o. b. amount to be paid against first presentation and in exchange for shipping documents, in cash less 2 per cent discount; freight, if advanced to steamer at shipping port, to be paid in cash, net, and if payable at destination, to be paid to the steamship company or agent according to the bill of lading or charter party. Since credit conditions have improved, terms have been changed to the following: Freight always as above, balance (f. o. b. amount) at buyers' option in cash less 2 per cent discount, or with their acceptance payable in London (in order to facilitate discounting

[6] Further information on Italy is given in Special Agents Series No. 182, "Lumber Market in Italy and Reconstruction Requirements" (1919), price 25 cents; and in Trade Information Bulletin No. 110, "Lumber in Austria and Italy" (1923).

of these acceptances) at four months from date of bill of lading or at four months from sight of bill of lading and other documents. The new conditions have been also influenced by competition, since when there was no further possibility of reducing prices, shippers and their agents tried competing on payment terms. These terms, however, have not been generally accepted, but many importers are trying to secure still more favorable ones. In fact, it is said that some sales are being made allowing payment on arrival of steamer. American shippers should not agree to this stipulation if suggested by buyers or their agents, since it leads only to trouble, because should deferred terms once be allowed a buyer, it is difficult to obtain cash payments on future sales. American shippers should insist upon documents being taken up on first presentation so that any claim for quality or proper fulfillment of contract may be decided by arbitration after the draft has been accepted. Should American shippers agree to payment on arrival of steamer, and buyer make a claim, he may take up the documents only after the claim has been settled, and documents may remain in the bank for several weeks.

CONTRACTS

It is advisable for American shippers to use a form of contract conforming closely to the Italian law, so that they can expect full protection from Italian law courts in case of legal proceedings against a buyer.

STEAMSHIP SERVICE

With regard to difficulties arising from the lack of direct steamship service, the informant quoted expressed the following opinion:

> A larger volume of business in southern pine, red gum, oak, and other woods exported from the United States could be developed if the sailings to ports like Palermo, Catania, Messina, Civitavecchia, and Leghorn were more frequent and regular, so that importers would not have to anticipate their needs so far ahead and run the risk of market fluctuations during that time.

Considerably more American stock would be handled in those ports if the present American steamship lines would establish regular direct sailings from the Gulf of Mexico. Most imports of these woods are now transshipped from Marseille, Genoa, or Naples; the transshipping charges are high, and on account of the treatment received in transshipment, the lumber frequently arrives in a damaged condition. Many buyers decline to order lumber with right of transshipment. Direct shipments from the United States would avoid the heavy transshipping charges and risk of damage to the lumber, which could be sold at a lower price while enabling the importer to secure a fair profit.

Steamship companies ordinarily require a minimum quantity of 400,000 feet board measure, that is, about 800 tons, for a direct shipment to Palermo, Catania, Messina, and other Italian ports, but importers in these ports can not take so large a quantity at on time; also, the credit risk involved would be more than an agent would care to carry. It has been suggested that importers might pool their orders so as to make up a shipment of the size required, but competition is so keen that there is little possibility of such an arrangement.

If the American steamship companies now having regular sailings from Gulf ports to Genoa and Naples would every three or four months have a direct steamer sailing from Gulf ports for the Mediterranean and calling at Palermo, Catania, Messina, and afterwards at Naples or Genoa or both ports, it is the opinion of one prominent Italian lumber agent that they could load sufficient cargo to make it worth while to take this route. Similar remarks apply also to Civitavecchia (Rome market) and Leghorn, but direct sailings to these should be less difficult to arrange than to the Sicilian ports. A sailing to these ports, say every three or four months, would, it is believed, do much to increase imports of lumber from the United States.

ITALIAN LUMBER TRADE

Consul Sydney B. Redecker, Naples

The leading supplying countries of the Italian lumber trade in 1928 were Yugoslavia, Austria, and the United States, in that order.

Although there was a falling off in the total imports of construction and industrial lumber into Italy in 1928, due to decreased activity in the building trade, shipbuilding industry, and other lines, the imports of building and construction lumber, rough and sawn, from the United States registered an increase of nearly 12 per cent, from 107,900 tons in 1927 to 120,513 tons in 1928.

There is a relatively small consumption of lumber in Italy in comparison with the population, because lumber does not find the many varied and extensive uses there that it finds in countries such as the United States, which are possessed of large forest areas.

Southern or pitch pine is long and favorably known in Italy and constitutes the bulk of the imports from the United States. Douglas fir is gradually gaining ground as it is more extensively introduced. Only a small amount of American hardwoods finds a market in Italy. Red gum is being favored on account of the increased prices for African mahoganies, and while American walnut imports have fluctuated considerably during recent years, those for 1927 show a considerable increase, and those in 1928 were nearly double those of 1927.

Signs of improvement in Italy's lumber trade are not lacking, and the belief is now being expressed by those in the trade that if fundamental economic conditions are satisfactory, the future will record a steady increase in the sale of lumber, especially from the United States. Various plans for housing and public-works projects, railways, and port work will call not only for construction timbers but also for finishing woods. Since American heavy construction woods and finishing woods are known in Italy as of high quality, although generally higher priced than others, it is expected that quality will sell more American lumber as Italian conditions improve.

FOREST RESOURCES

The cutting, in past ages, of the vast forests which formerly clothed the mountain slopes of Italy has left the country with but small forest resources compared with its lumber requirements, it being estimated that not more than 18 per cent of Italy's total area is at present wooded, hardwoods comprising about 89 per cent. Altogether,

it is calculated that Italy's total extent of forests covers about 5,585,400 hectares (13,795,000 acres) compared with its total superficial area of 310,317 square kilometers (119,782 square miles). The new Provinces of Upper Adige, Trentino, Gorizia, and Istria, acquired upon the break-up of the Austro-Hungarian Empire after the World War, including a forest area in excess of 1,000,000 hectares (about 2,500,000 acres), added effectively to Italy's forest resources. However, these districts of northern Italy furnish almost exclusively softwoods which normally do not compete with southern pine, Douglas fir, Sitka spruce, and similar woods furnished by the United States. Their acquisition, therefore, has been of little importance in affecting the trade in American softwoods in Italy.

In recent years efforts have been introduced by the Italian Government to augment Italy's forest resources by scientific reforestation methods. Much success has already been reported in the planting of various species of poplar or cottonwood trees for the production of mechanical wood pulp for the manufacture of paper, scientific methods similar to those employed in Germany being used in Italy. While Italy's efforts at reforestation are making steady progress, their results, in the nature of things, will not be realized for many years, and in the meantime they will have but small bearing upon the country's importation of lumber.

SIZE OF MARKET

Lumber constitutes one of Italy's major imports, ranking in importance and amount of money involved only after grains, cotton, wool, hides, coal, metals, and petroleum products. The scope of the Italian lumber trade may be gaged from the fact that Italy's total imports of "common lumber" (building and construction lumber, rough and sawn, and staves) in 1928 represented a value of approximately 600,000,000 lire (about $31,400,000), while its total imports of lumber and wood of all kinds, including manufactures of wood except furniture and charcoal, also including wood pulp for the manufacture of paper, in 1928 amounted to 909,228,800 lire ($47,825,000).

INDUSTRIAL DEPRESSION OF 1927 AND 1928

During 1927 and 1928 the lumber trade in Italy experienced considerable depression, resulting from the curtailed building operations and depressed conditions prevailing in the industries and trades of the country generally. This widespread economic depression is attributed mainly to the dislocation of business caused by the appreciation of the lira, which had its final culmination in its stabilization on December 21, 1927, at 19 paper lire to the dollar. While on one hand the stabilization of the currency constituted a highly favorable factor for the importation of many kinds of products, including lumber, by reducing their prices in terms of Italian currency and by eliminating the serious speculative risks to importers created by the previously recurring wide fluctuations in foreign exchange rates, nevertheless it also resulted in a serious dislocation of the country's industries and commerce, and especially in those lines of industry which are dependent upon foreign markets for their prosperity and which, owing to the higher value of the lira, encountered great difficulty in meeting the price competition

of manufacturers of other countries whose costs were not similarly increased.

It is generally conceded that the stabilization of the currency was vital to the sound conduct of Italy's economic life, and it is expected that as the country becomes better adjusted to the altered economic conditions brought about by the revaluation, a steady, even though slow, improvement will be recorded in the general economic position, resulting in increased demand for goods of all kinds, including lumber.

EFFECT ON LUMBER IMPORTS

The peak of demand in Italy's lumber trade would seem to have been reached in 1925 and 1926, when Italian industries in general were very active, although considerably inflated conditions prevailed at the time. Since 1926, however, there has been a steady tendency toward decreased sales, 1927 registering a considerable falling off from the level of imports attained in 1926 and 1925, while 1928 has recorded a still further decrease. Thus, while Italy's imports of "common lumber," logs hewn and sawn (which comprises the bulk of the Italian trade) increased from 1,723,147 metric tons valued at 758,317,000 lire ($30,181,000) imported in 1925, to the high level of 1,796,243 metric tons valued at 855,358,000 lire ($33,273,000) in 1926, they fell to 1,684,155 tons valued at 699,357,000 lire ($36,059,000) in 1927, and in 1928 recorded a decline to 1,544,911 tons valued at 595,097,405 lire ($31,300,000).

The following table of Italy's imports of "common lumber" during each of the last six calendar years will give a good idea of the trend of the Italian trade.

ITALY'S IMPORTS OF COMMON LUMBER, ROUGH AND SAWN

Year	Quantity in metric tons	Value	
		Lire	Dollars
1923	1,076,318	366,825,000	16,881,000
1924	1,363,083	528,260,000	23,963,000
1925	1,723,147	758,317,000	30,181,000
1926	1,796,243	855,358,000	33,273,000
1927	1,684,155	699,357,000	36,059,000
1928	1,544,911	595,097,000	31,302,000

RECOVERY FROM DEPRESSION

Signs of improvement in Italy's lumber trade are not lacking, and the belief is now being expressed by those in the trade that if fundamental economic conditions are satisfactory, the future will record a steady increase in the demand for lumber, and especially American varieties. The widespread depression during 1927 and 1928 seriously affected building operations, which were greatly curtailed in consequence. However, there are now indications of increased building activity which, if continued, will result in a greater consumption of lumber. There is a great housing shortage in Italy, and the Government, which is keenly aware of this serious situation, has been making vigorous efforts to encourage building operations by granting exemption to newly constructed houses from certain taxes over a period of years and

by taking other measures calculated to relieve the housing shortage. Moreover, elaborate plans are now in progress providing for the construction and improvement of public works, buildings, railways, roads, port works, and similar projects on a large scale throughout the country, and it is believed that these undertakings will contribute toward increasing the demand for lumber.

INCREASE IN QUALITY OF LUMBER IMPORTS

Although the general lumber trade has been depressed, and smaller quantities of construction lumber have been consumed in Italy in the last two years, the sale of American softwoods has been steadily improving. This increased trade in the face of generally decreased lumber consumption is eloquent evidence of the popularity of American woods and their ability to compete with other building woods, which are cheaper in price but poorer in quality, furnished by central European countries. Thus, while Italy's total imports of construction lumber, rough and sawn, decreased from 1,796,243 tons in 1926 to 1,544,911 in 1928, the share of the trade supplied by the United States increased from 96,268 tons in 1926 to 120,513 tons in 1928.

The following table of Italy's total imports of common lumber, and the quantities furnished by the United States, during each of the last four calendar years shows the gains made by American woods despite the decreases in total importation.

IMPORTS OF CONSTRUCTION LUMBER INTO ITALY

[In metric tons]

Year	Total imports	Imports from United States
1925		
1926	1,723,147	99,374
1927	1,796,243	96,268
1928	1,684,155	107,900
	1,544,911	120,513

It is believed that the increase in sales of American lumber, as shown by the foregoing figures, has been probably due to the greater use by Italian builders of lumber of a higher quality than in past years, and this may be taken as a further sign of improvement in building operations in Italy, especially from the point of view of American lumber exporters. During the years following the war large quantities of inferior lumber, imported chiefly from Austria, Rumania, and Yugoslavia, were used for this purpose.

The only factor in favor of these woods apparently was their cheapness, resulting from depreciated currency in the countries of origin, which made the prices of the lumber in Italian currency cheap in comparison with those for American lumber. Building contractors in Italy admit that the wood used by them was not all it should be as regards quality and durability, and stated that they would much prefer to use the better kinds of wood, such as American southern pine, but that they were prohibited from so doing by the higher prices of American lumber and the economic situation then prevailing, which demanded that building materials be as inexpensive as possible. It is believed that the more normal conditions now prevailing and the better appreciation of the advantage of using good materials, coupled with the fact that American exporters are no longer subjected to the serious disadvantages represented by the former marked differences in foreign exchange rates, should produce a steadily increasing demand for building lumber of the better kinds, which the United States is in an especially advantageous position to furnish.

USES OF LUMBER

While the consumption of lumber in Italy is large in the aggregate, it is small when consideration is given to the fact that this is a highly developed country having a population of over 41,000,000 inhabitants, which is being augmented at the rate of 400,000 annually. The reason for this relatively small consumption in comparison with population is the fact that lumber does not find the many varied and extensive uses that it does in countries which are possessed of large forest reserves. Owing to the scarcity of native softwood lumber, the necessity of importing the bulk of the country's requirements, and the relatively high prices of lumber in Italy, every effort is made to avoid its use and to substitute, wherever possible, as in the construction of dwellings, other materials, such as stone, brick, and cement, which are produced in the country itself. Time-honored customs of the people, including their marked preference for stone construction instead of wood, also have an important bearing upon the consumption of lumber.

Construction purposes.—There is a considerable consumption of lumber in Italy for general construction purposes, and this undoubtedly constitutes one of the country's main sources of demand. However, even in the case of building lumber the consumption is restricted by the fact that, in general, buildings of all kinds—private dwellings, apartments, office buildings, public buildings—are constructed of massive masonry, including the use of brick, stone, tiles, cement, and metal. It is rare to see a building of any kind with a considerable part constructed of wood and, in fact, there is a deep-seated objection to wooden structures of all kinds on the part of Italians, the average person being loath to live in a wooden house even though the rent might be considerably less than for a dwelling made of brick or stone. The main uses of lumber for building purposes are for doors, windows, blinds, shutters, and interior trim. Floors and roofs are seldom made of wood, tiles or composition material being preferred, while stone, brick, or other mineral composition is used for stairs, floor landings, and balconies. Even banisters to stairs are usually of metal, the only wooden part being the hand rail.

Shipbuilding and railways.—In addition to supplies required for general construction purposes, there is a considerable demand for softwoods for shipbuilding, for the manufacture of railroad cars, for railroad ties, and similar uses. The shipbuilding industry, although depressed at present, is very extensive in Italy, while the demand for lumber for building railway cars is also very important. Nearly all the railroad cars in use in Italy, both freight and passenger, are constructed mainly of wood. The demand for wooden ties is also important.

Telegraph poles.—The demand for wooden poles for telegraph and electric lines is decreasing, poles of a composition of cement,

manufactured in Italy, being used successfully as a substitute. Large numbers of these cement poles are already in use throughout the country.

Furniture industry.—There is an important demand in Italy for hardwood lumber, such as red gum, oak, beech, walnut, and mahogany, for use by the large furniture industry, which is situated mainly in the northern part of the country. This industry is of considerable economic importance to Italy, not only supplying nearly all local requirements but also carrying on an important export trade in fine furniture with many foreign countries.

Box making.—Softwoods and beech for the manufacture of boxes for fresh fruits, such as oranges and lemons, and also for manufacturing boxes for shipping canned food products, such as tomatoes, peas, beans, olive oil, and various kinds of canned fruits, is also in large demand in Italy. Italy is one of the largest producers of citrus fruits, and considerable quantities of wooden boxes are required each year for the shipment of the citrus crop, the bulk of which is exported to foreign countries. The Italian canning industry is also of great importance, and constitutes an important source of wealth to the country. Wooden boxes are required in large quantities for the shipment of all these products, and while definite figures of the consumption of lumber for this purpose are lacking, there can be no question but that it is considerable, owing to the scope and importance of the industries concerned.

KINDS IN DEMAND

Softwoods.—Softwoods, known in Italy as common lumber, constitute by far the bulk of the lumber imports of Italy. Of the different kinds of softwoods imported, however, the great bulk consists of pine and spruce supplied by Yugoslavia and Austria and fir by Rumania. It is estimated that these low-priced woods constitute more than 75 per cent of the total imports of softwood lumber into Italy. Ranking next after pine, spruce, and fir is southern long-leaf pine (known in Italy as pitch pine) which is highly regarded for construction purposes. Douglas fir from the Pacific coast is marketed to some extent. In addition to the imported softwoods, certain softwoods produced in Italy are also used, among which spruce and silver fir predominate, while larch and pine are also used to a lesser extent.

Hardwoods.—Hardwoods constitute a much smaller part of Italy's imports of lumber than softwoods, owing both to the relatively smaller consumption of them and to the relatively larger native production in proportion to the consumption. Among the native hardwoods chiefly in demand are oak, beech, walnut, and chestnut. The most important imported varieties are red gum (known in Italy as satin walnut), beech, and various tropical woods, such as mahogany and teak.

SOFTWOODS

Central European pine, spruce, and fir are by far the leading woods imported into Italy as regards volume of trade. These woods are in strong demand because of their low price, the proximity of sources of supply, low transportation costs, and other factors. They have a wide variety of uses and are used extensively for general building purposes, for making boxes, and for other purposes served by a wood

cheap in price and of ordinary quality. Pine, spruce, and fir are furnished mainly by Yugoslavia, Austria, and Rumania, as was said above, and the bulk of Italy's lumber imports from those countries consists of these species.

Like most other softwoods, central European pine, spruce, and fir are imported into Italy mainly in the form of rough and sawn lumber. The following are lumber dimensions, as furnished by Yugoslavia and Austria, chiefly in demand in the Naples market:

	Approximate equivalent in inches
24 by 48 millimeters	1 by 1⅞
28 by 58 millimeters	1 by 2¼
33 by 68 millimeters	1¼ by 2⅝
38 by 78 millimeters	1½ by 3
48 by 48 millimeters	1⅞ by 1⅞
58 by 58 millimeters	2¼ by 2¼
68 by 68 millimeters	2⅝ by 2⅝
78 by 78 millimeters	3 by 3
98 by 98 millimeters	3⅞ by 3⅞
118 by 118 millimeters	4⅝ by 4⅝

Under 4 meters (13.12 feet) called "cortame."

Also from 5 to 9 millimeters; in small proportions 12, 18, 24, 25, 33, 38, 48, and 58 millimeters, which is equivalent to ½ to ¾ inches; in small proportions 0.47, 0 71, 0.94, 0.98, 1.30, 1.50, 1.89, and 2.28 inches.

In widths from 17 or 18 centimeters upward to average 24 to 25 centimeters; from 6.7 or 7.1 inches upward to average 9.4 to 9.8 inches.

All 4 meters (13.12 feet) long.

The following are the dimensions furnished by Rumania, chiefly in demand in southern Italy:

	Approximate equivalent in inches
24 by 48 millimeters	1 by 1⅞
28 by 56 millimeters	1 by 2½
33 by 66 millimeters	1¼ by 2⅝
38 by 76 millimeters	1½ by 3
48 by 48 millimeters	1⅞ by 1⅞
56 by 56 millimeters	2⅛ by 2⅛
66 by 66 millimeters	2⅝ by 2⅝
76 by 76 millimeters	3 by 3
96 by 96 millimeters	3¾ by 3¾
116 by 116 millimeters	4½ by 4½

Under 4 meters (13.12 feet) called "cortame."

Also in same thicknesses and lengths as given for Yugoslav pine and spruce.

In widths of 17, 19, 22, 25, 28, 30, 33, 36, and 38 centimeters, or from 17 to 38 centimeters with an average of 23 to 24 centimeters. 6.7, 7.5, 8.7, 9.8, 11, 11.8, 13, 14.2, and 15 inches, or from 6.7 to 15 inches with an average of 9 to 9½ inches.

Undermeasures are 10 to 15 centimeters, termed "auguste" in Rumania (4 to 6 inches approximately).

Southern pine.—After central European pine, spruce, and fir, southern pine is the next most important of the softwoods imported into Italy, and it is the most important wood imported from the United States. It is most popular among Italian builders because of its high quality and durability. It is used extensively for beams, roofing, window sash, doors, and interior trim; large quantities are also used in the shipbuilding industry and for the construction of railway cars, since it is preferred for the frames, sides, and ceilings of freight cars and second and third class passenger coaches. The relatively high price in comparison with the price of central European

softwoods, however, is a deterrent to its greater sale. Nevertheless, with improving industrial conditions, it is finding a steadily increasing sale, and it is believed that its use in Italy will continue to increase, providing its price does not become prohibitive in competition with woods from other sources.

The following are the dimensions of southern pine chiefly in demand in Italy.

Sawn timber, merchantable quality:
- 6 by 6 to 10 by 10 inches to average 8 by 8 inches, lengths from 16 feet upward to average 26 feet or better.
- 9 by 9 and wider, to average 22½ cubic feet to the piece.
- 9 by 9 and wider, to average 25 cubic feet to the piece.
- 9 by 9 and wider, to average 27½ cubic feet to the piece.
- 9 by 9 and wider, to average 30 cubic feet to the piece.

Lumber, Genoa prime quality:
- Thickness from 1 to 4 inches.
- Widths from 8 or 9 and wider to average 9 to 10 inches.
- Lengths from 10 feet and longer.

The grades of pitch pine are those of the Gulf Coast classification issued by the Southern Pine Association.

The following table shows the exports of southern pine from the United States to Italy during recent years:

UNITED STATES EXPORTS OF SOUTHERN PINE TO ITALY

[Quantities in M feet board measure]

Class	1926		1927		1928	
	Quantity	Value	Quantity	Value	Quantity	Value
Logs	2,943	$134,057	527	$23,473	729	$27,644
Sawed timber:						
Untreated	21,695	823,944	32,083	1,276,540	23,534	902,624
Treated			513	21,150		
Lumber:						
Rough	15,454	694,950	20,574	1,017,472	24,777	1,139,128
Dressed	2	70	28	1,150	60	6,611

Douglas fir.—Douglas fir has some sale in northern Italy, but in other parts of the country its consumption seems to be restricted. The following table shows the exports of Douglas fir from the United States to Italy during recent years:

UNITED STATES EXPORTS OF DOUGLAS FIR TO ITALY

[Quantities in M feet board measure]

Class	1926		1927		1928	
	Quantity	Value	Quantity	Value	Quantity	Value
Logs						
Sawed timber:			16	$629	788	$18,385
Untreated	190	$6,058	803	25,538	651	22,330
Treated	(1)	(1)	(1)	(1)	(1)	(1)
Lumber:						
Rough	1,893	63,603	3,618	119,192	3,690	136,031
Dressed			50	1,870		

[1] Not available; amounted in 1924 to 519 M feet, valued at $18,690.

Spruce.—A certain amount of American spruce has been imported into Italy in past years, but the total trade is small. The following table shows the exports of spruce lumber from the United States to Italy during recent years:

UNITED STATES EXPORTS OF SPRUCE LUMBER TO ITALY

[Quantity in M feet board measure]

Year	Quantity	Value	Year	Quantity	Value
1924	1,198	$120,317	1927	380	$31,329
1925	163	17,436	1928	370	37,975
1926	241	21,939			

HARDWOODS

Italy is a considerable producer of hardwoods, supplying a much larger share of its own requirements than of softwoods. Among the various kinds of hardwoods produced in Italy, oak is the most important single species, but beech, chestnut, walnut, and various species of poplar and alder are also produced in important quantities. Chestnut and walnut are grown for the production of nuts, which are of considerable economic importance in Italy, but the trees are also cut for lumber. Chestnut is used largely for making staves for wine casks and other containers. Walnut is in strong demand for the manufacture of fine furniture, which, as already stated, is an important industry in Italy. Beech is popular as a substitute for walnut, since it takes a dark stain very satisfactorily.

Of the foreign hardwoods imported into Italy, beech, furnished chiefly by Yugoslavia, and red gum, furnished by United States, are the leaders. In addition to these woods, small quantities of walnut, oak, and hickory are also imported from America. Tropical hardwoods, such as mahogany and teak, are also imported for cabinet-making and shipbuilding purposes.

Red gum.—Red gum (satin walnut) is easily the leading American hardwood imported into Italy and is most popular as a substitute for cabinet woods in the manufacture of furniture. It is very satisfactory for carving and is often used by Italian manufacturers instead of mahogany. It is also used extensively for making store and office fixtures, paneling, interior trim, and coffins.

The quality of red gum chiefly in demand is No. 1, common and selects, 1 inch, 1½ inches, and 2 inches thick, in widths to average 8 inches or better.

Imports of red gum from the United States have been on the upward trend during recent years, the quantity of gum lumber exported to Italy in 1928 amounting to a total of 8,842 M feet, valued at $439,544, by far the largest quantity shipped to Italy in any year thus far. It is believed that red gum has a good future in Italy and that its great popularity and relatively low price compared with other cabinet woods should result in steadily larger sales.

The following table shows the exports of gum from the United States to Italy during recent years:

UNITED STATES EXPORTS OF RED AND SAP GUM LUMBER TO ITALY

[Quantity in M feet board measure]

Year	Quantity	Value	Year	Quantity	Value
1922	4,010	$245,585	1926	7,943	$437,739
1923	4,740	276,226	1927	6,306	321,045
1924	6,560	301,028	1928	8,842	439,544
1925	5,361	266,912			

Some tupelo and black gum are also taken by Italy. United States exports in 1928 to that destination were 504 M feet valued at $23,129.

Walnut.—The following table shows the exports of American walnut lumber to Italy during recent years:

UNITED STATES EXPORTS OF WALNUT LUMBER TO ITALY

[Quantity in M feet board measure]

Year	Quantity	Value	Year	Quantity	Value
1923	112	$7,415	1926	88	$5,600
1924	84	6,588	1927	295	22,105
1925	119	8,016	1928	573	35,184

Oak.—Italian imports of American oak are not important, owing to the availability of domestic supplies and competition of European oak and other hardwoods. The following table shows the exports of oak lumber from the United States to Italy during recent years:

UNITED STATES EXPORTS OF OAK LUMBER TO ITALY

[Quantity in M feet board measure]

Year	Quantity	Value	Year	Quantity	Value
1922	88	$5,630	1926	74	$5,468
1923	65	3,527	1927	167	13,012
1924	12	984	1928	233	14,734
1925	137	7,848			

Hickory.—The only other hardwood lumber of American origin imported into Italy worthy of note is hickory, which is used principally for handles. The imports are small, however, amounting to only 91 M feet valued at $13,137 in 1928.

The following table shows the exports of hickory lumber from the United States to Italy during other recent years:

UNITED STATES EXPORTS OF HICKORY LUMBER TO ITALY

Year	M feet	Year	M feet
1924	10	1927	110
1925	16	1928	91
1926	16		

Beech.—Nearly all the beech imported into Italy is furnished by Yugoslavia. This wood is imported in boards and planks only, measuring in thickness 20, 27, 38, 40, 50, 60 millimeters to 100 millimeters (¾, 1, 1½, 1⅝, 2, 2⅜, and up to 4 inches), in width from 10 to 12 centimeters upward with an average of 17 or 18 centimeters or more (4 to 4¾ inches up with an average of 6 or 6½ inches), and in length from 2 meters (6½ feet) upward with a percentage of 10 per cent or 15 per cent of 1 meter to 1.90 meters (3¼ to 6¼ feet). Beech lumber is imported both edged and unedged.

PLYWOOD

A wood product which has had a rapidly increasing sale in Italy, and which is believed to have a most attractive future in that country, is plywood.

The Italian imports of plywood (known in Italy as "legno a compensazione") have been steadily and markedly on the upward trend in recent years, almost every year recording appreciably increased imports, and this despite the fact that marked decreases may have been registered in the imports of other types of lumber.

While in 1923 Italy's total imports of plywood amounted to a total of 22,282 metric quintals (of 220.4 pounds each), valued at 6,089,778 lire ($280,300), they underwent rapid and consistent increase so that by 1927 they reached a total of 74,551 metric quintals, valued at 16,908,557 lire ($889,400). An even more marked rate of increase was registered in 1928, total imports amounting to 127,093 metric quintals, valued at 24,533,109 lire ($1,290,400), or well over six times the total imports five years before in 1923. The following record of Italy's imports of plywood shows the remarkable yearly increases which have taken place in Italy's importation of this wood product during the last six years:

ITALY'S IMPORTS OF PLYWOOD

Year	Quantity in metric quintals	Value		Year	Quantity in metric quintals	Value	
		Lire	Dollars			Lire	Dollars
1923	22,282	6,089,778	280,300	1926	62,930	19,642,825	764,100
1924	36,222	11,762,225	512,600	1927	74,551	16,908,557	889,400
1925	52,174	16,505,060	656,900	1928	127,093	24,533,109	1,290,400

Although statistics for recent years showing the origin of Italy's chief imports of plywood are lacking, it would seem that these have been furnished very largely by Poland and Finland, the Polish alder and Finnish birch being very popular on the Italian market. In 1928 Russia was also a large supplier, the source of 25 per cent of the entire import.

It is believed that the Italian plywood market deserves the careful attention of American exporters. Lumber importers in Italy state that the consumption of plywood undoubtedly will continue to undergo further increases in the future, since it is increasingly popular and to some plywood is "the wood of the future" as regards the Italian market. Plywood was introduced in southern Italy only within the last several years, but it is rapidly attaining great popularity.

As regards imports of plywood, partial data on sources from official statistics of Italy or of the exporting country indicate, for 1928, Finland as the leading supplier, furnishing about 4,950 metric tons, Russia second with 3,214 metric tons, Poland third with 1,438 metric tons, while about 1,500 tons came from Estonia and Norway, 580 tons from Germany, 488 from France, 301 from Latvia, and 191 from Austria. United States export statistics show 246,291 square feet valued at $12,450 shipped to Italy in 1928.

Veneer imports into Italy have also increased rapidly. The United States has a very small share in the business, 1928 United States customs figures showing shipments to Italy of 65,312 square feet valued at $2,370.

Exports of cedar pencil slats to Italy from the United States in 1928 were valued at $25,638 for 254,938 pounds.

IMPORTS

In order that a comprehensive idea may be formed of the volume and trend of Italy's import trade in wood in general, the following statistics are presented showing the country's importation during the last three years, as expressed in the official publication of statistics issued by the Italian Government:

IMPORTS OF WOOD INTO ITALY

Category	Metric tons			Value		
	1926	1927	1928	1926	1927	1928
COMMON LUMBER						
Rough or hewn timber	511,239	492,129	411,169	$6,271,600	$6,674,000	$5,875,300
Timber and lumber, squared or sawn lengthwise	1,285,004	1,192,026	1,133,742	27,001,800	29,384,900	25,426,900
Splints or strips for boxes, sieve frames, and the like	445	1,250	400	36,100	61,100	50,220
Veneer, 1 to 3 millimeters in thickness (about 0.04 to 0.12 inch)	27	73	58	2,400	5,400	8,000
Veneer, up to 1 millimeter in thickness (not over 0.04 inch thick)	202	143	155	41,400	45,800	51,800
Hoop poles	73	64	61	1,300	1,600	1,800
Match splints	699	102	222	46,900	7,800	8,000
FINE WOODS						
Logs, rough or hewn	6,682	6,935	10,042	280,900	309,700	584,000
Squared or sawn lengthwise	783	1,156	2,899	53,500	123,500	143,000
Veneer of 1 to 3 millimeters	5	11	8	2,000	4,300	2,900
Veneer up to 1 millimeter	67	58	113	52,300	45,400	71,800
PLYWOOD						
Of 3 layers or less	5,109	6,314	10,198	612,500	736,100	1,018,200
Of more than 3 layers	1,184	1,148	2,511	151,600	136,900	272,300
MISCELLANEOUS						
Staves	5,032	2,725	2,905	141,800	85,300	113,300
Poles, piling, and stakes:						
Treated	17,974	23,315	20,372	497,700	752,400	600,800
Untreated	4,954	2,880	4,468	70,243	42,800	57,800
Cooperage				97,900	75,300	73,000
Flooring blocks and parquet flooring	2,384	1,558	11,737	124,800	102,900	60,600

Origin.—It is not possible to give up-to-date statistics showing the source of all the various kinds of lumber imported into Italy, since this information is not given in the official publications of the Italian

Government. However, the information presented in previous sections of this report will give a fairly good idea of the origin of the leading varieties of lumber imported into Italy.

It is possible, however, to give the countries of origin of Italy's imports of common lumber (softwood) rough and sawn, comprising the first two categories of lumber mentioned in the foregoing table under common lumber, which comprises by far the greater bulk of Italy's imports.

The following table shows the quantities of rough and sawn common lumber—lumber for building and construction purposes—furnished to Italy by the leading countries in each of the last four calendar years:

ORIGIN OF ITALY'S IMPORTS OF COMMON LUMBER

[In metric tons]

Country of origin	1925	1926	1927	1928
Austria	779,900	677,489	602,803	525,775
Czechoslovakia	1,775	3,886	1,146	1,657
France	13,151	25,279	14,804	15,502
Germany	4,114	3,276	1,692	1,837
Great Britain	4,728	1,370	1,127	585
Yugoslavia	666,060	778,125	824,279	757,877
Rumania	76,272	126,827	81,402	50,773
Switzerland	14,737	12,518	13,148	13,544
United States	99,574	96,268	107,900	120,513
Other countries	63,063	71,205	38,854	58,868
Total	1,723,147	1,796,243	1,684,155	1,544,911

PRICES

Lumber prices on car at Milan, as quoted unofficially by the Chamber of Commerce and Industry of Milan under date of May 6, 1929, were as follows for usual dimensions:

PRICES OF LUMBER IN ITALY

Class	Lire per cubic meter	Equivalent per M feet
Fir logs	210-220	$26.05-$27.30
Fir timber, squared "Trieste style"	220-240	27.30- 29.75
Fir lumber, 20 millimeters (about ¾ inch) and up in thickness:		
First quality	490-530	60.75- 65.75
Second quality	330-360	40.90- 44.65
Third quality and lower	275-285	34.10- 35.35
Fir lumber, from 4 millimeters (about ⅛ inch) and up to 20 millimeters in thickness	300-305	37.20- 37.80
Larch lumber, 20 millimeters up:		
First quality	600-630	74.40- 78.15
Second quality	410-430	50.85- 53.35
Third quality	280-290	34.75- 36.00
Pitch-pine sawn timber	520-640	64.50- 79.40
Pitch-pine lumber	700-800	86.80- 99.25
Poplar lumber, 25 millimeters (about 1 inch) and up	280-320	34.75- 39.70
Beech lumber, untreated, quality "mercantile"	350-380	43.40- 47.10
Beech lumber, steamed, Slavonian, first quality	650-670	80.60- 83.10
Oak lumber, domestic	540-590	67.00- 73.20
Oak lumber, Slavonian	950-1,000	117.85-124.05
Walnut lumber, quality "mercantile"	1,100-1,500	136.45-186.10
Chestnut lumber, quality "mercantile"	380-400	47.10- 49.60
Elm lumber, quality "mercantile national"	460-500	57.05- 62.00
Locust lumber, quality " mercantile"	600-700	74.40- 86.80

IMPORT METHODS

Lumber, except that coming from countries adjacent to Italy, is imported into Italy mainly through Genoa, Naples, Palermo, and Trieste. Genoa is by far the leading Italian import market for American lumber, while Naples ranks second. The trade is very highly organized in all the chief import markets of Italy, there being an elaborate system of storage facilities, lumber yards, and sawmills in the free zones of the port.

It is customary to import lumber through recognized agents situated in the leading ports who, in turn, transmit the orders to the exporters in the United States. It is strongly recommended that this method of sale through recognized agents be followed by American exporters, since experience has shown it to be the most effective method of cultivating the Italian market. It might be mentioned that, in the past, efforts of some American exporters to sell directly to consumers, ignoring the recognized agents and importers, resulted in considerable dissatisfaction and the prejudicing of the position of the exporting firm resorting to such methods among the strongly established, recognized import firms controlling the trade.

TERMS

Cash against presentation of shipping documents is the general condition of payment for lumber imported into Italy, although credit ranging from three to four months with acceptance is also granted, depending upon the standing of the buyer, the credit being granted either by the seller direct or through agents willing to assume the del credere.

MARKET PROSPECTS

It is believed that Italy as a market for lumber merits the careful attention of American lumber exporters. During the year 1927–28, as has been pointed out, Italy's importation of lumber in general was somewhat stationary, owing to adverse economic conditions prevailing in the country. Despite this, the importation of American lumber, and especially southern pine, has been on the upward trend. Moreover, there has also been a marked increase in the importation of plywood. It is believed that with better economic conditions prevailing in Italy, there should be a revival of the building and other trades, resulting in a greater demand for lumber, while improved financial conditions should cause consumers to employ better quality woods, such as southern pine and Douglas fir, for which substitutes, cheap as regards initial cost but expensive in the long run, have been used for certain purposes in the past.

Italy's industrial life is steadily expanding, and the general standard of living is on the upward trend. It would seem reasonable to believe, therefore, that with the improvement of the general economic situation, of which there are already some signs, there should be an increasing market in Italy for lumber in general and especially for those qualities of lumber, including southern pine, Douglas fir, red gum, and plywood, which the United States is in an advantageous position to furnish. The appreciation and stabilization of the Italian currency, together with the greater value of the currencies of other lumber-producing countries and also the higher costs of production in those countries (as compared with the years following the war)—all factors impeding the sale of American lumber in Italy in previous years—would seem to be further factors favorable to its greater sale in the Italian market in the future.

SECTIONAL VARIATIONS IN LUMBER TRADE

CATANIA (SICILY)

Vice Consul George P. Wilson, Catania

The principal imports of lumber into Catania are spruce from Austria, Czechoslovakia, Yugoslavia, and Rumania; beech from Yugoslavia; oak from Slavonia; maple and ash from Hungary; and red gum and southern pine in substantial amounts from the United States.

There are no direct importers of lumber in Catania. It is said that the local dealers sometimes send orders to importers on the Continent, but it appears that most of the lumber is obtained from importers at other points in Italy. The demand for lumber in Catania is too small to justify direct importers. There are no direct shipments of American lumber to Catania and, because of this condition, whatever is needed is usually obtained from Genoa, where several American exporters have agencies. At Palermo and Licata (outside of the Catania district) one or two business houses have obtained small shipments direct.

Little wood is used in Sicily for building, since the houses are of stone and plaster with floors of stone (almost never of wood), and the roofs of tile. Stone is plentiful everywhere.

One agent early in 1928 reported annual sales averaging 10 to 15 carloads (about 150,000 to 225,000 superficial feet) of red gum and 250 to 300 standards (about 500,000 to 600,000 feet board measure) of southern pine (lumber and timber) to Catania. From these figures, and taking into consideration sales of other agents, it will be seen that the importation of southern pine and red gum into Catania has a certain importance.

The terms frequently asked by wood importers in Catania and throughout Sicily are: Freight, cash, net, balance at their option on arrival of steamer; cash less 2 per cent discount, or at four months from date of bill of lading with acceptance, net. However, American exporters should insist upon payment on presentation of documents, preferably at New York unless dealing through a responsible del credere agent, in which case presentation at destination may be considered.

FLORENCE

Consul Joseph Emerson Haven, Florence

Most of the imported lumber used in Florence and vicinity comes from Austria and Yugoslavia, but the wood commonly used is mainly of native origin, known in the local trade as abete (native fir). Such competition is most difficult for exporters of American lumber to meet, although the excellence of the American products is recognized in many instances.

There are no direct agents of American exporters nor any direct importers in Florence, and the market demands are secured through Leghorn and Genoa, where several important firms are located, one

in particular having a large yard and receiving substantial quantities of American woods.

In the Florence district lumber for building purposes is used only as beams, rafters, and flooring supports. The most common uses for lumber are furniture manufacturing, the making of crates and boxes of all kinds, and kindred lines. Some railroad-car factories are located around Florence. Small or no stocks are carried, and their requirements are filled through Genoa and Leghorn importers.

GENOA

Consul General John Ball Osborne, Genoa

The principal species of wood imported into Genoa are as follows: From the United States, southern pine, red gum, sap gum, Douglas fir, and oak; from Yugoslavia, oak and spruce; from Austria and Czechoslovakia, spruce; from Poland, Finland, and Sweden, pine; from Cuba and West Africa, mahogany.

The usual method of importing is through agents or brokers who represent American exporters. There are in Genoa some subagents for agents or brokers in London, Liverpool, and Paris.

Agents and brokers usually confine their sales to recognized importers only, and it is not considered ethical to sell to retailers and consumers. The commission is from 2 to 5 per cent, depending upon the terms and the cargo. This commission is paid by the exporters.

The practice of purchasing cargoes direct from an exporter is not favorably considered by the importers in Genoa. It is considered advisable for an American firm exporting lumber to have an agent in Genoa, since it is usual for inland buyers to make all their purchases from importers situated at the port of importation. The principal importers are centered at Genoa, which is the main port of entry of Italian imports.

There is no organization of lumber agents in the Genoa district. The importer and wholesaler are usually one and the same, but there are some agents who import on behalf of inland wholesalers. Direct importing by large consumers, such as railroads, shipyards, factories, and contractors, is regarded as most unethical by the recognized importers and by agents or brokers.

The Government requirements are handled by local long-established and experienced firms acting as agents or importers. It is believed that the Government prefers to deal through the local importers, although during the war all purchases were made by specially appointed Government agents. It is, therefore, advisable to make bids through agents or importers.

American lumber is not usually sold on consignment, and there is no recognized method of handling consignments in Genoa.

It is considered advisable for American exporters to establish connection with a firm experienced in the method of handling American lumber and established as a lumber agent; otherwise, it is believed it would be difficult to do business.

Some small firms import mainly from Austria, but most of these are not in a position to handle American lumber as importers. As retailers, they usually purchase from importers.

LEGHORN

Consul Lucien Memminger, Leghorn

Leghorn is the port of entry for Florence and central Italy. American lumber imports into Leghorn consist of southern pine and red gum in substantial quantities. Italian firms, which largely control the foreign lumber business at the port of Leghorn, are importers and do not act as agents.

In general, the lumber-importing business at Leghorn is on a comparatively small scale. However, it is said that the development of an increased demand depends more or less on adequate steamer service. There are no great lumber yards for storage of large stocks, and no local firms act as agents or brokers. Since Genoa, the great distributing point for lumber in Italy, is only a few hours by rail from Leghorn, the needs of the latter, except for occasional direct importation by steamer at Leghorn, are largely supplied through that city. It is understood, in fact, that the local firms often find it convenient to have cargoes destined for them landed at Genoa rather than at Leghorn. Vessels loaded with a complete cargo of lumber rarely arrive here.

The local importers sell to consumers, such as carpenter shops. Imports are generally for specific orders on behalf of purchasers and not for carrying in stock. There is no organization of importers. Inasmuch as a great deal of the lumber used in the Leghorn district is sold through Genoa, the methods of handling American lumber imports are much the same in both places.

MILAN

Consul C. Carrigan, Milan

The principal species of wood imported into the Milan district are spruce and pine from Austria, Yugoslavia, and Rumania; southern pine and Douglas fir from the United States; walnut from France, the United States, and Algeria; and oak from Slavonia and Germany. Small quantities of mahogany, cedar, Brazilian violet ebony (palisander), and African okoumé are also imported. In addition to these imported woods, native walnut and larch from the Italian Tyrol are employed, the former wood being preferred to the imported variety.

In considering the methods of importation, it must be kept in mind that the American wood of greatest importance in the Milan market is southern pine, and the question of American lumber there may be considered principally from the standpoint of sales of that species.

The principal agents are in Genoa, and the Genoa trade covers the Lombardy region. The few Milan firms that handle American woods secure their requirements either through Genoa or in small lots from the United States.

It is preferable to have Italian agents representing American exporters direct, since the buying of American woods through local agents who are subagents for agents handling American lumber in other countries is not favorably viewed

Agents for sale of American lumber should confine their sales to recognized importers only and should not attempt to handle the retail business and direct sales to the consumer; however, they sell

(probably in small lots) to retailers, but this is because their business is not established on a large enough scale to follow a recognized policy. There are no agent-importers at the present time in the Milan district prepared to purchase outright from exporters in very large quantities.

There are no agents or brokers in Milan that handle American lumber exclusively. According to reliable advice from interested concerns, orders for American lumber are usually filled through Genoa; however, some orders are sent directly to the United States. There appears to be no association of lumber inporters.

It is not advisable to endeavor to sell direct to consumers, such as railroads, shipyards, and factories. In past years representatives of American lumber producers have come to Italy and have attempted this form of sale. In some cases they might have obtained a chance order for lumber, but it is doubtful whether they were able to establish any lasting connections. Lumber interests do not regard this method as practical. Government requirements are handled through the few distributors in Italy that sell American woods. It is recommended, in general, that American lumber be handled as suggested in the foregoing remarks, namely, by the establishment of Italian agencies selling on commission.

There is only one importer handling large quantities of southern pine and gum in Milan. The purchases for this importer in Milan and other yards in Genoa, Leghorn, and Rome are handled through Milan.

NAPLES

Consul Homer M. Byington, Naples

There are small quantities of American woods coming into the port of Naples with some regularity, but the total amounts remain relatively small. Such imports as are made are largely of southern pine and red and sap gum, gum being used in Naples principally for furniture and coffins. A little oak and an occasional shipment of cypress for boat building make up the list.

Wood, except for door or window frames, is not a major item in the construction plans of builders in southern Italy. Tufa block, which is a very soft volcanic stone, and concrete are the principal materials. The amount of wood used in building is comparatively slight. As a consequence, it is only rarely that large shipments are purchased direct.

Retailing is done generally from lumber yards situated at the port of entry, although the agent himself usually has his offices in a more central part of the country. These agents operate for the account of the shipper, representing several American firms at the same time.

The methods by which the lumber shipments are distributed make Naples one of the important centers for this industry. Some agents have their offices in Rome or Genoa, spending a part of their time in Naples. The lumber is assembled in a large station operated on a roughly communal plan, whereby each agent rents a section for the storage of his stocks. There is no association either of agents or of importers.

PALERMO (SICILY)

Consul Edward I. Nathan, Palermo

The most commonly used woods in the Palermo district for all purposes are European spruce, fir, and beech. These woods are employed

largely in the making of lemon and other boxes and are secured chiefly from Yugoslavia and continental Italy. Beech is supplied by Yugoslavia and Austria.

Southern pine is the principal wood supplied by the United States, and its adaptability and general superiority are recognized. American red gum is used extensively by the furniture trade of Palermo as a substitute for Italian walnut, and American white oak is imported for cabinetmaking. Several small shipments of mahogany have been imported through American firms, this wood being taken by the furniture manufacturers. A substitute from Brazil is called "false mahogany."

Lumber is imported through recognized importers who are also large dealers. They frequently import through agents at Genoa and also occasionally make direct importations. Their imports are sold to other dealers and also to factories and shipyards. There is no organization of lumber importers.

Furniture manufacturers, shipyards, and factories seldom make direct purchases, all of their orders, as a rule, being placed with local importers. The chief reason for this is that it does not require them to maintain stocks, and enables them to secure their supplies in amounts as required. Any firm endeavoring to eliminate the local importer by making purchases direct would later find it difficult to secure any other supplies which might be required from the Palermo importers; also, firms abroad selling direct in this market to factories, shipyards, or furniture manufacturers would find such sales too small to warrant their running the risk of losing the rest of the market by a boycott on the part of the local importers.

All the Italian Government requirements are handled through the administrative offices in Rome. No American lumber is sold on consignment.

ROME

Consul General F. P. Keene, Rome

The principal species of wood imported into Italy are southern pine, red gum, and oak from the United States and fir and larch from Austria, Czechslovakia, Rumania, and Yugoslavia.

Agents or brokers acting as direct or exclusive representatives of American exporters are found principally in the ports of Genoa and Naples. There are very few doing this type of business in the Rome consular district.

There is no importation of lumber into Rome through branch offices of American exporters acting as agents. Agents and brokers in lumber confine their sales, as a rule, to lumber dealers and usually operate on a 2 to 5 per cent commission, especially when dealing in American lumber. This commission is always paid by the exporter. There is no organization of lumber agents in the Rome district.

Agents usually secure their supplies from foreign exporters, and sell mainly to importers who sell to lumber dealers or to consumers.

There is no organization or association of importers in Rome. The bulk of the lumber business is done by one firm, which imports lumber directly from America, and whose purchasing offices are in Milan and Genoa. It handles considerable American southern pine. There are two or three other smaller importers, but their business is in fir and larch from Austria, Czechoslovakia, Rumania, and Yugoslavia.

The only large consumers are a few factories and the State railway administration, which buy their lumber from importers.

Government requirements are usually handled through firms in Italy. Bids by American exporters should preferably be placed through agents or importers there. American lumber is not sold on consignment.

There is little or no difference between the methods employed in handling American and other foreign lumber in the Rome district. Importers emphasize the great need of standardizing American lumber exports. They say that grades, well understood before the war in foreign markets, no longer imply a definite quality.

TRIESTE

Counsul Joseph Emerson Haven, Trieste

The principal species of wood at present imported into Venezia Giulia are as follows: Czechoslovakia, fir, basswood, larch, walnut, beech, and oak; Austria, fir, spruce, basswood, larch, and pine; Yugoslavia, fir, larch, maple, pine, beech, walnut, and oak. There are also small quantities of fir, larch, pine, and beech produced there. The lumber imports into Trieste from the United States consist chiefly of southern pine, oak staves, and a certain amount of red gum, used chiefly for veneering. The fact that there is no large business in American lumber is probably due to Trieste being located near central European producing countries. However, comparatively large orders for southern pine are made from time to time to meet the needs of the shipbuilding industry.

TURIN

Consul Dana C. Sycks, Turin

Southern pine, oak, red gum, and Sitka spruce are the principal American woods brought into the Turin district. They are used for buildings, furniture, railroad equipment, and airplane construction.

American lumber is supplied to Turin principally through agents in Genoa. This method is regarded by agents and importers as practical, inasmuch as stocks of lumber are always found at either Genoa or Savona.

There are no organizations or associations of lumber agents or importers in the district. No government requirements are handled there.

It appears that there are no Turin firms in a position to import a complete cargo of American lumber. At one time there was a large southern pine and hardwood importer, but this firm now has an affiliated company in Genoa which is doing all the buying. In Turin, Alessandria, and Asti there are several small importers handling these woods who buy through Genoa agents.

Other foreign woods are sold by the same methods as those employed for American lumber. The commissions paid are the same as those paid by American lumber exporters.

VENICE

Consul James B. Young, Venice

The principal kinds of wood imported into the district of Venice and Venetia are spruce, European fir, white oak, beech, and several species of pine—principally American southern pine—red gum, and walnut. There are also other kinds of wood imported, but they are

mostly cabinet woods, such as mahogany. Some teak is also imported when the market permits.

All American lumber imported into Venice and Venetia is purchased through agents of the American exporters in Genoa or Milan. The transacting of business with American exporters through these Genoese houses would appear advisable and practicable.

There are not many lumber firms in the Venice district acting as agents for foreign lumber exporters, and none so far as American lumber is concerned. There is no organization or association of lumber agents in the Venice district.

Large consumers in Venice and Venetia, such as railroads, shipyards, and factories, do not import lumber direct. Although the system of direct importation by consumers is not generally regarded as unethical in the local trade, most Venetian lumber merchants consider it ill advised and unnecessary, if not impracticable.

Sales of lumber on consignment are rarely made in the Venetian lumber trade. This method of sale is not considered either practicable or advisable.

The usual terms of sale in the lumber trade of Venice are payment through a local bank of cash against documents with draft attached. Sales and shipments are usually made c. i. f. Venice.

The method of handling foreign woods, other than American, is different to the extent that the relations between the exporter and importer are more direct and the agencies and representatives of the exporters are mostly in the immediate vicinity, some being in Venice. There is said to be little difference in the commission paid in this trade and that paid to brokers and agents in the American lumber trade.

1928 IMPORTS

The following table, taken from "Statistica del Commercio Speciale", the official Italian foreign trade monthly, shows the imports of lumber into Italy during 1928:

IMPORTS OF LUMBER INTO ITALY, 1928

Classes and countries	Quantity [1]	Classes and countries	Quantity [1]
Lumber and timber, rough, hewn, squared, or sawn, of common woods:	*M feet*	Fine woods:	*M feet*
Austria	314,265	Rough or hewn	4,519
Czechoslovakia	994	Squared or sawn lengthwise	1,594
France	9,301	Veneer up to 3 millimeters thick	67
Germany	1,102	Staves for cooperage	160
Great Britain	351	Plywood:	
Yugoslavia	454,714	Three ply or less	5,669
Rumania	30,464	More than 3 ply	1,381
Switzerland	8,126	Oars, poles, and stakes	13,733
United States	72,308	Cooperage, new and old:	*1,000 gal. capacity*
Other countries	35,321	Austria	400
Total	926,946	Germany	65
Including:		Yugoslavia	277
Rough or hewn timber	246,701	United States	238
Lumber or timber, squared or sawn lengthwise	680,245	Other countries	649
Common wood cut for boxes, sieves, and the like	294	Total	1,629
Veneer of common woods up to 3 millimeters thick	157	Including:	
		With wooden hoops	2
		With iron hoops	1,627
		Flooring and paving, not veneered or inlaid	*M feet* 8,161

[1] Quantities in board feet have been estimated (in round thousands) by the lumber division from metric weights.

IMPORT DUTIES

All kinds of wood imported into Italy, except that in the form of logs or rough hewn, or as splints or hoops or poles, are subject to an import duty. The rates of duty applying to the various categories of wood, as provided by paragraph 604 of the Italian import tariff, are as follows:

ITALIAN IMPORT DUTIES ON LUMBER

[In gold lire]

Articles		General	Conventional
Common wood:			
1. Round or rough hewn	per metric ton	Free.	Free.
2. Squared or sawn lengthwise	do	3.00	3.00
NOTE.—Originating in Italian colonies	do	Free.	Free.
3. Box shooks, sieve stock, etc	per 100 kilos	3.00	3.00
4. Veneers—			
Over 1 millimeter thick and up to 3 millimeters	do	4.50	
1 millimeter or less in thickness	do	6.00	
5. Hoops, any length	do	Free.	
6. Match splints	do	Free.	
Fine (cabinet woods, etc.):			
1. Round or rough hewn		Free.	Free.
2. Squared or sawn lengthwise	per 100 kilos	3.00	
NOTE.—Originating in Italian colonies		Free.	Free.
3. Veneers, over 1 millimeter and up to 3 millimeters thick	per 100 kilos	7.20	
4. Veneers, 1 millimeter thick and less	do	9.60	
Plywood:[1]			
1. Composed of 3 plies or less	do	9.00	4.80
2. Composed of more than 3 plies	do	10.50	6.00
NOTES.—(1) According to the treaty with Switzerland, spruce, fir, larch pine, Weymouth pine, Cembran pine, beech, oak, maple, ash, elm, birch, lime, walnut (except the roots), chestnut, alder, acacia, and cherry are regarded as "common" woods; (2) Box shooks of "common" woods enjoy conventional treatment; (3) Telegraph and other posts of any circumference, even if treated with tar, carbolineum, or any other similar material at either end, also enjoy conventional treatment.			

[1] Austrian plywood of beech is admitted under the special rate of 3 gold lire per 100 kilos, being higher than the conventional rate applying on imports from the United States.

The rates of duty as expressed in the Italian tariff are payable in gold lire having a value of $0.193, rather than in paper currency in circulation; 3.67 paper lire are accepted as equivalent to 1 gold lira in the payment of import duties.

Duties on lumber and wood products are based on gross weight.

The conventional rates of duty where provided apply on imports from the United States, Ethiopia, Albania, Argentina, Austria, Belgium and Luxemburg, Brazil, British India, Canada, Czechoslovakia, Chile, China, Colombia, Belgian Congo, Cuba, Denmark, Dominican Republic, Egypt, Ecuador, France, Greece, Honduras, Japan, Liberia, Morocco, Mexico, Netherlands, Nicaragua, Panama, Paraguay, Peru, Persia, Poland, Portugal, Rumania, Salvador, Siam, Sweden, Switzerland, Tunisia, United Soviet Republics, United Kingdom, Venezuela, Yugoslavia, and Zanzibar.

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